THE FINANCIAL POST
OF CANADA

A weekly newspaper aiming to present to the public in a popular manner, accurate information relating to the financial interests and the legitimate investments of Canada.

PUBLICATION OFFICE—10 FRONT STREET, EAST, TORONTO

VOL. I. SINGLE COPIES, 10 CENTS. MONTREAL, TORONTO, WINNIPEG, JULY 20TH, 1907 ANNUAL SUBSCRIPTION, $3.00. No. 28

THE SECURITY REVIEW

THE CROPS NOW FURNISH THE GREATEST INTEREST.

An Undoubted Shortage in the West—The Effect will be Towards Conservatism — Not an Unmixed Evil—The Compensation of Higher Prices—Increases in Dividends — Montreal Power the Latest Example — The Good Prospects of the Steel Companies — The Soo Line's New Stock and Dividend Possibilities — The C.P.R.'s New Line to the Coast — Notes on Leading Securities.

Those interested in Canadian securities may not realize the fact that the most interesting development under present conditions is the crops. While not desiring to decry the great west, The Financial Post from the outset has pointed out as clearly as possible the crop conditions in our great west and has suggested that the customary western optimism was liable to discount. The past few weeks have largely fulfilled these surmises and the condition of the western wheat crop has undoubtedly deteriorated in the most largely producing districts, with the result that there is going to be a very considerable depreciation in the wheat production. At the same time, the foreign situation is all the time making for higher prices. In the southwestern States, where the crop deterioration is actual and beyond any surmise, the shrinkage has been welcomed by the bankers. The conditions there are very likely to be reflected later on in the northwestern States and Canada. The general effect will be a season of moderation. There will be a feeling of conservatism in the farming centres and a consequent tendency to look ahead in the management of the season's business interests.

With the railways still congested, it will render the handling of the crop easier and the net result to the country, as a whole, will equalize the crop shortage in the higher prices for cereals of all kinds. The gait has been too swift in recent years; speculation has been so easily undertaken, debts have been so unconcernedly assumed, that a retrospect and caution will have an excellent effect.

The shortened crop will, however, fall severely upon many farmers in Manitoba by reason of the great shrinkage in certain districts, where from eight to ten bushéls to the acre are all that can be looked for. In these sections payments, already slow, will be retarded. In fact, the general difficulty in business circles at present is the tardiness of payments, a condition that will not be assisted until the crop is paid for. There will be no let up in the money stringency, except of a very temporary nature, late in August.

While the prices of Canadian securities are now on a most tempting level and the investor's opportunity was never more favorable, the higher price that capital most now command neueralizes the position in a certain degree. Yet it does not seem likely that investments can for many years be secured on more favorable terms than at present.

The increases in dividend returns are an encouragement and a premier Canadian security, Montreal Power, this week advanced its dividend from five to six per cent. There may be other increases. English financial critics hope for an improvement in the next available class of Grand Trunk securities, the third preference shares. An advance in "Soo" line dividend is not an unlikely development in September. It is doubtful if C.P.R. can avoid the foreign demand for an additional one per cent.

In their weekly market letter, Jaffray & Cassels say: With no evident increase in the supply of funds for the market, there has been a notable improvement in the local market. A steady absorption of offerings by investors had created a scarcity of offerings at the lower levels, and quotations in several instances have moved up without meeting stock. The demand is from investors, and is steadily improving the whole market. At current prices such stocks as Mackay, preferred, Bell Telephone and Gas offer attractive investment yields. Dominion Telegraph's 6 per cent. dividend is guaranteed by the Western Union Telegraph Co. under lease which does not expire until 1978.

Shareholders of C. P. R. may reasonably expect the announcement of some definite policy regarding the land fund from the directors when the former meet in September. While most of the fund is still in mortgages, as they are paid what will be done with the money? Any forecast of the directors' policy can be only guesswork. Discussion, however, has suggested that the fund may be used on capital account and a scrip dividend issued. This would be the same as distributing the fund and then calling new capital. It is not to be expected that the amount of cash in the fund is as yet sufficient for this purpose. Speculation as to the policy to be adopted will, no doubt, be plentiful before the meeting, and might be used to base a movement in the market.

The increase in the dividend on Montreal Power directs attention to the fact that earnings of public utility companies are steadily growing, and in this connection an increase from 8 to 10 per cent. in the dividend of the Sao Paulo Co. is expected at the end of the year, while the development of the Mexican Power project has reached a stage where some return to the stockholder is looked for at the same time.

The harvest outlook in the U. S. has improved the market for stocks of railways serving the Northwest, notably the Hill issues, Great Northern preferred, Northern Pacific and St. Paul. The magnificent earnings of the Hill roads, about 20 per cent., give the strongest assurance that dividends can be maintained, and make them an attractive investment, and the prospect of a special distribution to Northern Pacific shareholders is mooted to come from a transfer of that company's interest in the Burlington to the Great Northern.

Montreal Power.

The prophecy of an increase in dividend from five to six per cent. was fulfilled on Wednesday by the action of the directors. The earnings for the year ending April 30th, available for dividends on the common stock were $1,440,582, or 8.47 per cent. During the past year $255,000 was provided for renewals and depreciation. The surplus over dividend was $590,582, so that even if the earnings continued only on the same basis as last year there would still be ample margin for the additional $170,000 required by the increase in the dividend. It is stated, however, with confidence that earnings since May 1st have shown very large gains and are such as to warrant the action of the directors. Some comment was caused by the increase in dividend in face of the city of Montreal's efforts to adjust the charges for light. As the sliding scale, a system followed in many Old Country municipalities, appears the only feasible method of adjustment, the company's position is improved, because the city wished to begin the scale with the dividend at five per cent., whereas the company contended for an initial rate of seven per cent. as a basis of the scale.

The dividend had been expected in the stock market, as was evidenced by a four-point advance last week prior to the announcement. On Thursday morning the stock advanced another point.

Dominion Steel.

In an interview published in the Montreal Star, the president, Mr. J. H. Plummer, says that the business outlook for the Steel Company is excellent.

"We have orders on hand sufficient to keep the plant in full operation this year, with considerable tonnage booked for delivery in 1908, while the demand for our products is unabated.

"The company is now on a sound and prosperous basis, with the exception of our coal supply, and that question will, in good time, be satisfactorily solved.

"The destruction of the superstructure of our shipping pier at Wabana proves a less serious matter than we had expected. We were able to provide the necesary machinery and materials without delay, and repairs are so advanced that we expect to resume shipping the first of next month. Meantime, the underground mining operations are going on unremittingly, and advantage is being taken of the opportunity to do some important surface work.

"We shall have more ore to handle than usual from August to the close of the season, but that is the result I look for.

"On the plant, everything moves satisfactorily. Our latest addition, the Bessemer converter, for desiliconizing pig iron, is working well, and the results are more than up to our expectations. The company's operations are now larger than ever before.

"We employ the maximum number of men, who are receiving good wages, higher in almost every class than ever before. Our skilled workmen are paid as well now as similar men in any other steel centres and in many cases their wages are higher than elsewhere."

Mexicans.

The net earnings of the Mexican Light and Power Company for June were $242,051 Mexican, or $121,025 in gold. On this basis the earnings for twelve months will be $1,452,000. As, however, the operating expenses are being greatly reduced with the dry season passed it is not unlikely that the earnings for the coming six months will be considerably increased and will equal the company's estimate of $1,760,000 gold. Fixed charges for the year are $900,000, leaving a balance of $860,000. From this sum, interest on the floating debt of $1,500,000, or say $75,000, should be deducted, which would make the rate of earning not quite six per cent. on the capital stock. On account of the heavier expenses of operation during the dry season, those who are well informed as to the company's undertakings say that the results of the first six months of the current year are not a criterion. By December they claim that the forecast made in the company's annual report that the net earnings would be $375,000 Mexican will be fulfilled. By that time it was officially estimated that the company's gross earnings would be $500,000 Mexican, and their operating expenses $125,000, or only 25 per cent. For June the operating expenses were 37.67 per cent. If the company's actual earnings for the half-year ending June 30th were to continue without the expected increases, the surplus after fixed charges would be only $482,936 gold for the year, or a trifle less than three per cent. on the common stock after allowing for the interest on the floating debt.

While operating expenses for the month show an increase of some $6,000, it is satisfactory to note that the percentage of operating expenses to gross earnings is decreasing and is the lowest of any month of the year so far. It may be expected to decrease further as the water supply increases. Percentages of operating expenses to gross by months were: January, 38.02; February, 42.43; March, 40.49; April, 40.75; May, 38.90; June, 37.67. By months earnings are, Mexican currency (double of gold), cents omitted:

	Gross.	Net.	Surp'us.
Jan.	$397,336	$246,239	$96,239
Feb.	385,916	222,146	72,146
March	367,058	218,406	68,406
April	367,772	217,889	67,889
May	386,478	236,102	86,102
June	388,387	242,051	92,051

The statement of earnings for the half year follows:

	Earnings.	Increase.
June, gross ..	$2,292,950 15	$538,116 43
" op. ex..	910,114 03	82,011 83
" net ...	1,382,836 12	456,104 80
" surplus.	482,936 12	124,808 80

The percentage of expenses to gross earnings for the month of 37.70 shows a decrease as compared with June, 1906, of 6.98 per cent. The percentage of expenses to gross earnings for the half year is 39.70, a decrease of 7.48 per cent. as compared with the first half of 1906.

C.P.R.

The end of the fiscal year has brought forward many estimates of the net results in the English papers and these are all of a glowing character, following pretty well the figures given in a forecast which appeared in The Financial Post over a month ago. The amount available for dividends on the common stock, exclusive of the capital received from land sales, will be well over 15 per cent. The shares are firm this week and the statement is now being made in Wall street that the market there is entirely sold out of C.P.R.

The large and valuable tract of timber lands secured in British Columbia with the purchase of the Columbia & Western from F. A. Heinze will shortly be available, as the suit to determine the distribution has been heard.

During the week it was stated with no official confirmation, that the C.P.R. would take over the New Brunswick Southern, a line running from St. John to St. Stephen, a distance of 82 miles.

Trains are now running over the new Spokane International Railroad, and the C.P.R. is carrying freight and passengers over the shortest route between St. Paul and the Pacific.

The route, westward, consists of the Soo line from St. Paul to Portal, on the American-Canadian border; the Canadian Pacific main line from Portal to Yahk in northern Idaho; the Spokane International from there to Spokane, and trackage rights over E. H. Harriman's Oregon Railroad & Navigation from Spokane to Portland.

Along the Soo-Spokane there are 1,910 miles between St. Paul and Portland. On the Great Northern the distance is 2,015 miles; on the Northern Pacific it is 2,052 miles. By means of this shorter mileage the regular running time for passenger trains between these cities has been cut down about four and one-half hours.

Canadian Pacific should acquire much new freight business from the new line. Freight which had hitherto been destined from any point east of Winnipeg or St. Paul to Portland moved over the northern branch of the Canadian Pacific to Vancouver, where it was transferred and shipped southward to Portland by steamer. The Spokane-International eliminates all the expense and waste of time which had been occasioned by using a circuitous route and rehandling the freight.

Crows Nest Pass, in Alberta, produces an excellent quality of steaming coal, for which there is great demand in Spokane. It is claimed that Spokane manufacturers are finding it cheaper to bring this coal across the line on the Spokane International, paying the duty thereon, than to have it hauled from the nearest coal field in the United States.

Hudson's Bays.

With Jefferson Levy operating in London and an oversold condition in C.P.R.. and the speculative element pretty well shaken out in Bays, a movement in either of these stocks is not unlikely. Hudson Bays are now selling ex-dividend of £3¼ around 94. The statement of farm land sales for three months ending June 30th, show the great reduction as compared with the last two years in quantities, but, in view of the small sales the cash receipts are most satisfactory and nearly as large as last year.

Sales, with the purchase price spread over a term of years, amounted to £30,700, as against £129,100, and cash receipts were £70,900, as against £83,900. Proportionately, therefore, cash dealings exhibit a considerable advance. For the half-year the sales for a term of years amount to £114,400, and the cash receipts to £157,700, the figures for the first six months of 1906 being £209,700 and £167,400 respectively.

CANADIAN CROPS.

Reports of Two Leading Banks—Conditions Not as Favorable as Last Year.

The Bank of Commerce, owing to its very large number of branches, covering the whole of Canada from Prince Edward Island to the Pacific seaboard, is in an exceptionally good position to gather crop reports. A digest of the reports from all the managers has been made. It is of date the end of June. Since that time conditions have deteriorated somewhat, both in Ontario and the west, but even at that time the conclusion was that in Ontario there would probably be a crop slightly below the average, while in the west the report from a very important centre is far from favorable. Too much importance need not be attached to the better prospects in Alberta as that province as yet furnishes only a small percentage of the total western crop.

The synopsis follows:

Prince Edwarh Island.—The principal crops in this island are hay, oats, wheat and potatoes. The prospects of the hay crop are only moderate; oats and wheat promise well; owing to the very late spring it is too early to judge as to potatoes, but with ordinary weather conditions the crop should be a good one.

Nova Scotia.—The spring has been the most backward ever remembered and it is too early to foretell the results of the harvest. The prospects of the hay crop, an important one in this province, vary in different districts, but in most parts clover has been winter killed and the crop will be short. The apple and fruit blossoms have been full of promise, and owing to the lateness of the season the danger of frost is past. Nothing can be foretold as to root crops as yet, but potatoes look well. Feed for live stock has been short this spring and the output of dairy products will be decreased as a result.

Quebec.—Too early to predict result of oats and root crops. The condition of the pastures, owing to the late spring, will cause a falling off in the production of cheese and butter. The hay crop will depend largely on the weather during the few weeks before it is cut, but the outlook is only for a moderate crop.

Ontario.—The spring has been very late and prospects are that the harvest will be late.

Fall Wheat—Average to poor crop.

Spring Wheat—Average to poor crop where grown.

Oats and Barley—Fair to good.

Peas—Generally good.

Corn—Outlook for moderate crop.

Hay—Poor; hence in dairy districts production of butter, cheese, etc., will be lessened.

Roots—Outlook good in cases where they are sufficiently advanced to judge.

Fruits—Good, except peaches in western parts of province.

The general outlook is for an average to slightly below an average crop. Reports from the northern districts of the province are, generally speaking, more favorable than those from the western districts.

Manitoba.—The spring was exceedingly late, but the growth of the crops has been remarkable and they are little behind last year. Their present condition is excelleot. There is a smaller acreage of wheat this year, but a larger one of oats and barley. Total acreage shows little increase over last year. The manager of an important centre in his report does not share this opinion as to a favorable outlook for the crops, and thinks that a considerable percentage of wheat will not ripen, and that the crop is from two to four weeks later than last year. In these views he stands practically alone.

Saskatchewan.—Conditions much the same as in Manitoba, except that there has been some increase in total acreage in newer districts. Fears of early frost are quite generally expressed.

Alberta.—There is a decided increase of acreage reported, applying to all crops except spring wheat. Fall wheat, the acreage of which is considerably larger than last year, has come through the winter remarkably well. The growth of all crops this year has been very rapid and present conditions are excellent, in some cases the crops being thought to be now ahead of last year in growth. Fears are expressed that hailstorms may be prevalent this year.

British Columbia.—The outlook for grain crops, where grown, is generally good except in the Fraser River district. The fruit crop will not be up to the average.

Molsons Bank Reports.

The Molsons Bank also issues a carefully detailed bulletin of crop reports from Manitoba, the Northwest Provinces and Ontario and Quebec. The Manitoba reports indicate a reduction in acreage in wheat and a crop that is from ten days to three weeks late. In the coarser grains an increase in acreage is looked for. At many points the live stock industry is increasing. In Alberta a large percentage of increase in crop acreage is reported. In Saskatchewan the acreage shows gains at many points, with few decreases.

In Ontaria and Quebec there will be a marked shortage in the hay crop. Western Ontario reports are the least favorable. Conditions in Eastern Ontario are such as to create much confidence in a good crop.

TWO COBALT FACTS

CONIAGAS PRODUCED $145,000 IN THE MONTH OF JUNE.

O'Brien's Output for Three Months Averaged $1,000 a Ton — One Carload of $135,000 — The Strike is Fizzling Out — The Foster Treasury Stock Will be All Subscribed for — Optimistic Bulletin on Cobalt Central —The Peculiar Methods of Canada Consolidated Cobalt — The Use of Prominent Canadian Names Unwarranted—Misleading Statements.

The latest news from Cobalt indicates that the strike is drawing to a close and cannot continue much longer. The men who are out are losing spirit and enthusiasm and the influence of the professional agitator is waning. On Thursday the strikers suffered many defections from their ranks and a considerable number returned to work.

The mine managers who have not compromised are remaining firm and expect that the strike will be a thing of the past by the middle of next week. The managers are firm in their determination to take no recognition of the Western Federation of Miners. Some of the mines have settled with the strikers. The Foster directors felt that its conditions were of such a special character that the ore must be got out as speedily as possible. Mr. G. H. Doran, who returned from the camp on Thursday, reported that the full complement of men were working. The McKinley-Darragh and City of Cobalt companies compromised, as did several other smaller properties. The Nipissing has 250 men at work, while the Trethewey and Coniagas are each working one drill. The Cobalt Central say they have had no difficulty with their men.

Coniagas Big Month.

That Cobalt is a remarkable camp is a tr[illegible] sometimes forgotten in these times of monetary famine, stock market depression and mining strikes. Two striking facts reveal the truth of the foregoing statement. The Coniagas mine for the month of June produced $145,000 worth of ore. As there were only 26 working days in June this was at the rate of $5,575 a day. The tonnage was, however, 769, so that the rate per ton was $188, not an extravagant showing, but of great interest, as proving the ultimate profit there will be in the low-grade ore bodies in the camp when the concentrating plants and a more economic process of treatment are established.

O'Brien's High Average.

The O'Brien mine paid to the Government for receipts for a little over three months ending June 30th, the sum of $116,546. This represents a royalty of 25 per cent. on ore at the pit's mouth. From the gross returns are to be deducted cost of washing, sampling, sorting, freight and treatment. As the shipments in June were only 64,510 lbs. for which returns had not been received and as in the sum was a certain adjustment of accounts, the value of the ore represented by the payment is over $1,000 per ton. In these receipts is included one very rich carload bringing in $135,000. The amount of ore represented in the royalty payment is approximately 500 tons, so that it was not a case of a few rich carloads, but the average run of the mine. It is an eloquent testimony to the richness of the property. To date the O'Brien has paid the Government $170,546, so that its gross production for six months has been worth well over $700,000, making allowance for the deductions mentioned.

This represents 1,100 tons, or an average of over $600 a ton.

Foster Treasury Shares.

The Foster list of shareholders numbers over 4,000. The circulars asking for subscriptions were not in the hands of all this list until the middle of the week, and while there has been no time for a large return of subscriptions, the executive state that many shareholders have asked to subscribe for more than their pro rata amount of treasury stock at 75 cents a share, and that there is no question but that the entire issue of 100,000 shares will be subscribed for. A carload of cobalt ore, running strong in cobalt value, is ready for shipment. It will probably be sent to the Welsh smelter.

The issue of a circular by Messrs. Ussher, Playfair & Martens, brokers, advising the purchase of Trethewey shares and the sale of Foster stock caused considerable comment. The ethics of this proceeding are discussed in our editorial columns. The shares of both companies scored advances during the week.

The Cobalt Central.

The Cobalt Central Company, which has been seeking a market for its shares in London with little success, continues to issue optimistic bulletins. One statement issued in New York, says. "Machinery for the new concentrating plant is now being erected. This plant will revolutionize the treatment of Cobalt ore, which has heretofore been sorted by hand and shipped to the smelter in crude form. In preparation for the starting of the concentrating plant the company has accumulated on the dumps several thousand tons of ore which will be ready for immediate treatment when the mill begins operations in August. A careful estimate of the present tonnage blocked out has been made by three competent engineers, and it is the consensus of opinion that there is over $700,000 worth of ore available in the different openings and in the ore bins on the surface of the property. The company should begin to pay dividends in the late fall."

The Silver Bird Prospect.

The attempt to foist Silver Bird on the London market is dealt with in our London letter. English investors are not likely to be tempted by prospects of this order when there are shipping mines selling on an investment basis.

A Misleading Prospectus.

The Canada Consolidated Cobalt Company have been creating considerable comment in London by their peculiar methods. The Canadian Syndicate, whose address is 550 Salisbury House, with F. Shumway Colton, Esq., chairman, issued a circular on June 12th, offering shares at 22s 6d and pointing out that these shares sold on the previous day on the London Stock Exchange at 26s 6d. The shares have since risen to an ostensible market price of 30 shillings.

A circular issued on June 15th by the same Canadian Syndicate states that a following table will illustrate what an investment of £100 in any of the properties in the native silver district has yielded during the past year. We learn that £100 in Nipissing is now worth £14,000; £100 in Silver Queen is now worth £7,400; £100 in Trethewey is now worth £20,000. The reference must be to the original parties who bought the properties from the prospectors. Certainly no such results are given by an investment in shares and information of this kind is not merely misleading, it is downright falsehood.

The prospectus of the company states that the authorized capital is $1,000,000 in 200,000 shares of $5 or £1 each. It says the company was organized as a parent company to acquire control and further develop some of the largest properties in the Cobalt district, attention first being given to the one known as the Peterson Lake Silver Cobalt property. No particulars are given to the effect that the company has an option on Peterson Lake, but a map is enclosed and extracts from a report by W. J. Barrett, F.G.S., consulting mining engineer of London, and a brief statement from Frank C. Loring are given.

Unauthorized Names.

The prospectus contains the names as directors of Sir Henry Pellatt, Sir Frederick Borden, of Ottawa; H. S. Strathy, of Toronto; General Sir J. Bevan Edwards, and Sir Frederick Frankland, of London, Eng. The solicitors for Canada are stated as McCarthy, Osler, Hoskin & Harcourt.

Sir Henry Pellatt and the solicitors say that the use of their names has not been authorized by them.

Sir Henry Pellatt was approached by Messrs. Leslie, of London and New York, and Colton, of Pittsburgh, in regard to the formation of a company. It was represented that they proposed to secure the capital in London by private subscription, and Sir Henry consented to act on the board after the capital had been secured. He states that the use of his name as a director in a prospectus issued for securing capital is unwarranted.

The use of the names of Mr. H. S. Strathy and of the Traders Bank "Limited" (sic), is repudiated in strong terms by Mr. Strathy. He disapproves of the contents of the prospectus and desires that the fullest publicity should be given to the fact. He has arranged to cable London his repudiation.

SOO.

A new issue of Soo line stock, as predicted in The Post, was announced last week. The directors of the Minneapolis, St. Paul & Sault Ste. Marie have voted to increase the capital stock of the company from $21,000,000 to $42,000,000, one-third of the increase, or $7,000,000 to be preferred stock and two-thirds, or $14,000,000, to be common stock. The increase is to enable the road to make improvements in accordance with the growth of its business. The new stock is to be issued at par. Only about $4,000,000 stock will be issued in the near future.

Thomas Lowry, president of the Soo line, said: "In deciding to increase the capital stock of the Soo to $42,000,000, it was done simply because we want to provide for any contingency which may arise, and for additional facilities and to keep pace with the growth of business. All of the stock will not be issued at once. It may be years before it is all issued, but the point we wish to gain is to be in a position to secure funds when our development demands them. We are not figuring on constructing any important extensions with this money, nor do we expect to spend it on increased terminals."

The shares after the announcement showed considerable strength. As the C.P.R. owns 51 per cent., the effect of a new issue has not the same terror to the market as if individual shareholders were called upon. There is the best of ground for the opinion that the dividend on the common will be increased in the autumn. The shareholders meet on Sept. 17th to ratify the new issue.

BANK OF MONTREAL

(ESTABLISHED 1817)

Incorporated By Act of Parliament

Capital (all paid up), $14,400,000.00. Rest, $11,000,000.00. Undivided Profits, $422,689.98

HEAD OFFICE—MONTREAL

BOARD OF DIRECTORS

Rt. Hon. Lord Strathcona and Mount Royal, G.C.M.G., Honorary President; Hon. Sir George A. Drummond, K.C.M.G., President; E. S. Clouston, Esq., Vice-President; A. T. Paterson, Esq., R. B. Angus, Esq., E. B. Greenshields, Esq., James Ross, Esq., Hon. Robt. Mackay, Sir William C. Macdonald, R. G. Reid, Esq.

E. S. Clouston, General Manager. A. Macnider, Chief Inspector, and Superintendent of Branches.
H. V. Meredith, Assistant General Manager, and Manager at Montreal.
C. Sweeny, Superintendent of Branches, British Columbia. W. E. Stavert, Superintendent of Branches, Maritime Provinces.
F. J. Hunter, Inspector N. West and Br. Col. Branches. E. P. Winslow, Inspector Ontario Branches.
D. R. Clark, Inspector Maritime Provinces and Newfoundland Branches.

BRANCHES IN CANADA

Province of Ontario.—Alliston; Almonte; Aurora; Belleville; Bowmanville; Brantford; Brockville; Chatham; Collingwood; Cornwall; Deseronto; Eglinton; Fenelon Falls; Fort William; Goderich; Guelph; Hamilton; Hamilton, Sherman Ave.; Holstein; King City; Kingston; Lindsay; London; Millbrook; Mount Forest; Newmarket; Ottawa; Ottawa, Bank Street; Ottawa, Hull, P. Q.; Paris; Perth; Peterboro; Picton; Port Arthur; Port Hope; Queensville; Sarnia; Stratford; St. Marys; Sudbury; Toronto—Front Street, Yonge Street, Wellington Street, Queen Street, Richmond Street, Carlton Street; Trenton; Tweed; Wallaceburg; Warsaw; Waterford.

Province of Quebec—Buckingham; Cookshire; Danville; Fraserville; Grand Mere; Lake Megantic; Levis; Montreal—Head Office, Hochelaga, Papineau Avenue, Point St. Charles, Seigneurs Street, Ste. Anne de Bellevue, St. Henri, West End, Westmount; Quebec; Quebec, Upper Town, St. Roch's; Sawyerville.

Province of New Brunswick—Andover; Bathurst; Chatham; Edmunston; Fredericton; Grand Falls; Hartland; Moncton; Shediac; St. John; Woodstock.

Province of Nova Scotia—Amherst; Bridgewater; Canso; Glace Bay; Halifax; Halifax, North End; Lunenburg; Mahone Bay; Port Hood; Sydney; Wolfville; Yarmouth.

North-West Provinces—Altona, Man.; Brandon, Man.; Calgary, Alta.; Edmonton, Alta.; Indian Head, Sask.; Lethbridge, Alta.; Oakville, Man.; Portage la Prairie, Man.; Raymond, Alta.; Regina, Sask.; Rosenfeld, Man.; Saskatoon, Sask.; Winnipeg, Man.; Winnipeg, Fort Rouge; Winnipeg, Logan Avenue.

Province of British Columbia—Armstrong; Chilliwack; Enderby; Greenwood; Kelowna; Nelson; New Denver; New Westminster; Nicola; Rossland; Summerland; Vancouver; Vancouver, Westminster Ave.; Vernon; Victoria.

IN NEWFOUNDLAND: ST. JOHN'S, Bank of Montreal. BIRCHY COVE, Bay of Islands, Bank of Montreal.

IN GREAT BRITAIN: LONDON, Bank of Montreal, 46-47 Threadneedle Street, E.C. (F. W. Taylor, Manager.)

IN THE UNITED STATES: NEW YORK (R. Y. Hebden, W. A. Bog, J. T. Molineux, Agents), 31 Pine Street. CHICAGO, Bank of Montreal (J. M. Greata, Manager). SPOKANE, Wash., Bank of Montreal

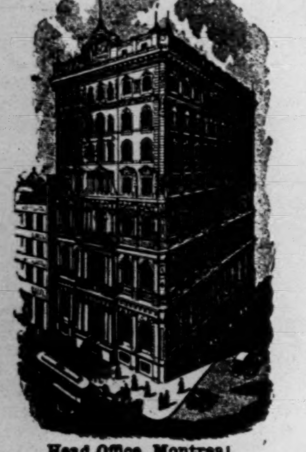
IN MEXICO: MEXICO, D.F. (T. S. C. Saunders, Manager.)

BANKERS IN GREAT BRITAIN

LONDON, The Bank of England.
" The Union of London and Smith's Bank, Ltd.
" The London and Westminster Bank, Ltd.
" The National Provincial Bank of Eng, Ltd.
LIVERPOOL, The Bank of Liverpool, Ltd.
SCOTLAND, The British Linen Company Bank, and Branches

BANKERS IN THE UNITED STATES

NEW YORK, The National City Bank.
" The Bank of New York, N.B.A.
" National Bank of Commerce of New York
BOSTON, The Merchants' National Bank.
BUFFALO, The Marine Natl. Bank, Buffalo
SAN FRANCISCO, The First National Bank.
" " The Anglo Californian Bank, Ltd.



Head Office, Montreal

THE MERCHANTS' BANK

OF CANADA

ESTABLISHED 1864

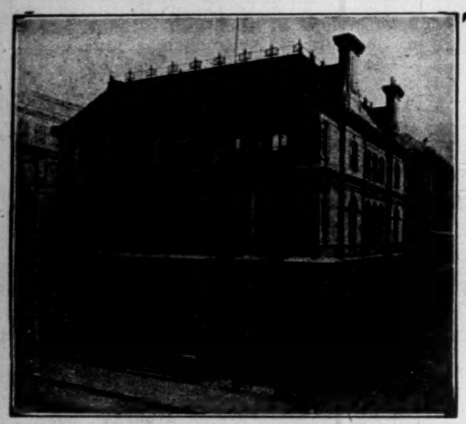
President—Sir H. Montagu Allan
Vice President—Jonathan Hodgson, Esq.
E. F. Hebden, General Manager

Capital Paid-up - -	**$6,000,000**
Reserve Fund and Undivided Profits	**4,034,256**
Total Assets - -	**53,000,000**

120 Branches and Agencies in Ontario Quebec, Manitoba, Saskatchewan, Alberta, and British Columbia.

A General Banking Business Transacted.
Special attention given to collections

SAVINGS BANK DEPARTMENT
AT ALL BRANCHES.



HEAD OFFICE, MONTREAL.

THE MOLSONS BANK

Capital paid up, $3,305,840
Reserve Fund, - 3,305,840

JAMES ELLIOT - General Manager
A. D. DURNFORD - Chief Inspector

61 BRANCHES THROUGHOUT CANADA

THE METROPOLITAN BANK

Capital Paid up - - - - -	**$1,000,000.00**
Reserve Fund and Undivided Profits -	**$1,183,713.23**

DIRECTORS:

S. J. MOORE, PRESIDENT. D. E. THOMSON, K.C., VICE-PRESIDENT.
HIS HONOR W. MORTIMER CLARK, K.C.
THOMAS BRADSHAW JOHN FIRSTBROOK JAMES RYRIE

Head Office: TORONTO

W. D. ROSS, GENERAL MANAGER.

GENERAL BANKING BUSINESS. SAVINGS DEPARTMENT AT ALL BRANCHES

BANQUE D'HOCHELAGA

Capital Authorized, $4,000,000

Capital paid up, $2,000 000 - Reserve Fund, $1,600,000

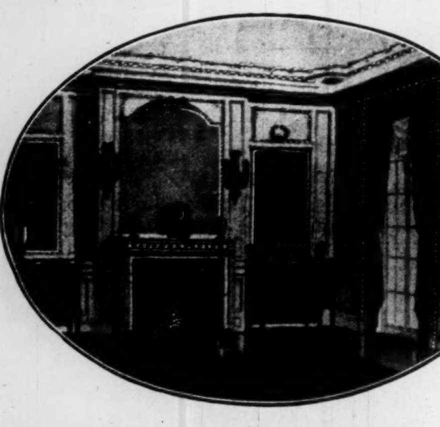
DIRECTORS:

F. X. ST. CHARLES, ESQ., - - - President
ROBT. BICKERDIKE, ESQ., M.P. - - - Vice-President
HON. J. D. ROLLAND, ESQ.
J. A. VAILLANCOURT, ESQ.
A. TURCOTTE, ESQ.
E. H. LEMAY, ESQ.
J. M. WILSON, ESQ.
J. A. PRENDERGAST, General Manager.
C. A. GIROUX, Manager

HEAD OFFICE - - - MONTREAL

CITY BRANCHES—Mount Royal Avenue (corner St. Denis), St. Catherine Street East, St. Catherine Street Centre, Notre Dame Street West, Hochelaga, Maisonneuve, Point St. Charles, St. Henry, Town of St Louis

BRANCHES:—Berthierville, P.Q., Edmonton, Alta., Joliette, P.Q., Laprairie, P.Q., Louiseville, P.Q., Quebec, P.Q., Quebec, St. Roch, Sorel, P.Q., Sherbrooke, P.Q., St. Boniface, Man., St. Hyacinthe, P.Q., St. Jacques L'Achigan, P.Q., St. Jerome, P.Q., St. Pierre, Man., Three Rivers, P.Q., Valleyfield, P.Q., Vankleek Hill, Ont., Winnipeg, Man.



11 King W., Toronto

123 Oxford St., London, England

THE THORNTON-SMITH CO.

Interior Decorators and Designers

We make a Specialty of

Banks, Public Buildings and Offices

Drawings and Estimates Submitted.

THE MERCHANTS BANK

AFTER MANY YEARS IT HAS COME INTO ITS OWN.

Hampered at the Outset by an Overplus of Capital — Its Last Year was its Best — Figures Showing Most Excellent Growth in a Decade.

The last Merchants Bank year, which ended on May 31, was a record one of prosperity for this long-standing institution. The Merchants Bank has had its vicissitudes, and has been hampered in its early days by an overplus of capital.

This bank, in Montreal, like the Bank of Commerce in Toronto, was organized with a larger capital and wider aims than were customary at the time. In the lean times, the necessity of paying dividends on the capital becomes more of a drag than on a bank of smaller capital, and it is only in more recent years that the country has developed and placed the banks in this class on a basis more commensurate with their capital.

In spite, however, of the dividend requirements, the Merchants Bank has always made a good return to its shareholders, and the dividend which ten years ago was eight per cent., and since then never less than seven, has been returned to the former basis of eight per cent.

In the past ten years, with the capital remaining at $6,000,000, the Merchants Bank has increased its deposits 211 per cent., and its total assets 117 per cent. Its growth of business has been such as to warrant, with the continuance of its present able and sound management, a larger return, especially as the business has now grown up to its capital. Its reserve fund is now $4,000,000. As the shareholders of the Merchants have not had the advantages of rights of new stock like the holders of shares in banks starting with small capital, they have a good prospect of these advantages in the near future.

The bank's year ends on May 31, and the figures for the past eleven years are as follows:

Year	Capital	Rest	Profit and loss balance	Circulation	Total deposits	Total liabilities to the public	Total assets
	$	$	$	$	$	$	$
1897.....	6,000,000	3,000,000	141,000	2,358,000	12,069,000	15,043,000	24,259,000
1898.....	6,000,000	2,600,000	48,000	2,836,000	13,693,000	16,777,000	25,425,000
1899.....	6,000,000	2,600,000	16 000	2,777,000	15,435,000	18,651,000	27,268,000
1900.....	6,000,000	2,600,000	50,000	3,282,000	17,808 000	20,933,000	29,584,000
1901.....	6,000,000	2,600,000	59,000	3,342,000	19,426,000	23,133,000	31,792,000
1902.....	6,000,000	2,700,000	25,000	3,724,000	20,893,000	25,443,000	34,168,000
1903.....	6,000,000	2,900,000	74 000	4,077,000	24,357 000	29,702,000	38,676,000
1904.....	6,000,000	3,200,000	18,000	3,923,000	25,969,000	30,464,000	39 683,000
1905.....	6,000,000	3,400,000	73,000	3,684,000	28,110 000	32,004,000	41,478,000
1906.....	6,000,000	3,600,000	74,000	3,984,000	35,507,000	39,867,000	49,542,000
1907.....	6,000,000	4,000,000	34 000	4,152,000	37,610 000	42,831,000	52,865,000

It will be seen by the above that during the eleven years the bank's

Reserve increased .... 33 1-3 p.c.
Circulation " .... 76 "
Deposits " .... 211 "
Total assets " .... 117 "

During the eleven years the total amount transferred to the reserve fund was $1,000,000.

The total written off against bank premises account was $500,000, the fund standing at the end of May, 1907, at $984,312.

Year.	Prop. of rest to capital.	Prop. of rest to assets other than specie and Dom. notes.	Prop. of capital and rest to liabilities.	Rate of divd. paid	Rate of earning on capital.	Rate of earning on average market price of stock.	Percentage of divid on market price of stock.	Book value	Average price of shares (Calendar year.)
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.		
1897......	50.	13.13	59.83	8	9.04	5.07	4.49	152	178
1898......	43.33	10.87	51.26	8	7.34	4.17	4.54	144	176
1899......	43.33	10.02	46.11	7½	6.96	4.08	4.38	143	171
1900......	43.33	9.21	41.08	7	8.81	5.64	4.48	144	156
1901......	43.33	8.58	37.18	7	8.39	5.37	4.48	144	156
1902......	45.	8.30	34.19	7	9.07	5.95	4.54	145	154
1903......	48.33	7.91	29.96	7	12.23	7.59	4.36	150	161
1904......	53.33	8.78	30.20	7	12.16	7.64	4.40	154	159
1905......	56.66	8.92	29.37	7	10.82	6.51	4.21	158	166
1906......	60.	7.84	24.08	7	12.34	7.35	4.16	161	168
1907......	66.66	8.62	23.36	8	16.02	9.82	4.00	164	163

An investment in Merchants Bank stock made in 1897 at 178, the current price, and retained until 1906, would have given the investor an average return of 4.07 per cent. per annum without collateral profits either from "rights" on new stock, or increase in market value of the shares. Ordinarily the next ten years, with successful management, should show these collateral advantages, the volume of the business of the bank as compared with its capital being now in much better proportion from the shareholders' point of view.

SELF HELP SERIES

This is a department which we hope will be found inspiring and interesting to young men and women. There will be thousands of them in the employment of subscribers to the Post. The attention of the employers might also be directed to these articles.

CARELESS MEN USUALLY FAIL.

XXVIII.

"Hang sorrow; care'll kill a cat," quoth Ben Jonson; but many a man since then has found that want of care'll kill a whole menagerie. There is a man in an outlying suburb who by strenuous effort, by skillful watching over his incubator in the midnight hours, and by brooding over his brooder on Saturday afternoons, and we won't say what he did on Sundays, at last succeeded in owning a respectable number of lively chicks. These he locked up every night; but one night, as two or three seemed disinclined to go to roost at the usual hour, he delayed looking them up, and finally forgot them altogether. This want of care lost him all all his chicks; for a neighbor's dog played havoc with the entire lot, and the next morning he found the front yard filled with mangled feathered forms.

That want of care not only killed the chicks, but it killed the man's ambition ever to become a poultry raiser. And the strange part of it is, that the neighbor's dog got the blame for following out his instinct and robbing the henroost. It is difficult to estimate the amount of damage carelessness can make. Benjamin Franklin in his Poor Richard's Almanac thus sums it up: "A little neglect may breed great mischief. For want of a nail the shoe was lost; for want of a shoe the horse was lost; and for want of a horse the rider was lost, being overtaken and slain by the enemy; all for want of a little care about a horseshoe nail."

Here may be seen a chain of consequences all proceeding from one apparently trifling cause; each consequence in turn becoming a new cause to produce disaster, writes M. M. Atwater.

Success or failure many a time is hinged upon a trifle. The over-acute but careless man pays dearly for a sly question, a smart answer given to his employer in business. The retort may have shown cleverness, but the barb sticks deep in the boss' crop; and the man loses his position because he did not choose his words carefully.

The liar is the most careless man alive. He plunges boldly into the arena of sin and knows he must tell a score of lies to make his first one good for anything. Seldom it is that he can exercise enough care to maintain his cause, and, caught in the web of his own weaving, he at last is undone.

The get-rich-quick man is a type of man too careless to look when he leaps. He shuts his eyes and jumps in the dark, never investigating his investment until he has paid his cash and bought his worthless stock certificates. Then comes his second thought, and it is a bitter one.

The negligent business man who allows his men to work amid unhealthful surroundings, in dark, dingy rooms, in buildings with defective plumbing—the business man who puts out sweat shop work without inquiry into conditions, will find that through an awakening public conscience a material consequence of his sin surely will ensue.

Every day accidents occur which rightly are attributed to the greedy capitalist, who inhumanly engages inexperienced youths to do the work of trained hands. The results are disastrous. Elevator accidents now and then occur, directly traced to the employment of some one a novice at the work.

A fearful occurrence took place when a boy of 19 was kept on duty as "keeper" of a blast furnace. He had two assistants, aged 18 and 37, respectively. There were four tons of molten iron in the furnace when it should have run out.

The "keeper" and his comrades, entertained by drink and talk, neglected their duty and let the time go by. When at last they stripped and started to tap the furnace, a fiery stream of molten metal burst loose on them, instantaneously destroying one and fatally burning the other two. The capitalist who permits mere inexperienced youths to run his works deserves to be filched of his earnings.

The merchant who is careless of the worth and value of the product he buys to sell again loses incalculable dollars. The man who is cheated in the umbrella he buys, the woman who finds her fresh vegetables withered, her fresh fruit one rosy layer on a mass of either green or over-ripe berries, rarely patronizes the man who insidiously cheats her with the badness of his commodities.

BEWARE.

"Can't you do something for me?" There does not a day pass but what it finds some deluded savings bank depositor making this piteous plea for the recovery of his hard earned money lost in some get-rich proposition. It is a forlorn hope. The chances are slim indeed that the law can force restitution. Promoters hedge themselves behind the ambiguous conclusion of the law that a person has a tight to believe his venture will prove successful and this leeway allows him to capitalize his hopes in the millions and sell stocks at any price he thinks foolish people will pay.

Even where the law affords relief the promoter has already spent or hid away his loot. Criminal prosecution only brings cold satisfaction and no money. An ounce of prevention is worth a pound of cure under these conditions. Better consult your banker or some other honest financial authority before investing in any proposition about which you know nothing and you will be saved later the distress of trying to recover your money.

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE, TORONTO ESTABLISHED 1867

B. E. WALKER, President.
ALEX. LAIRD, General Manager,
A. H. IRELAND, Superintendent of Branches

Paid-up Capital,	$10.000,000
Rest, - - - -	5,000,000
Total Assets, -	113,000,000

BOARD OF DIRECTORS:

B. E. Walker, Esq., President
Robert Kilgour, Esq., Vice-President
Hon. Geo. A. Cox,
Matthew Leggat, Esq.
James Crathern, Esq.
John Hoskin, Esq., K.C., LL.D.
Joseph W. Flavelle, Esq.
A. Kingman, Esq.
Hon. L. Melvin Jones,
Frederic Nicholls, Esq.
H. D. Warren, Esq.
Hon. W. C. Edwards
Z. A. Lash, Esq., K. C.
E. R. Wood, Esq.

New York Agency: 16 Exchange Place
Wm. Gray and H. B. Walker, Agents

Toronto Branch
M. Morris, Manager
C. Cambie, Asst. Manager

London (England) Branch: 2 Lombard Street, E.C.
S. Cameron Alexander, Manager

Branches in Every Province of Canada and in the United States and England.

This Bank transacts every description of Banking Business, including the issue of Letters of Credit and Drafts on Foreign Countries, and will negotiate or receive for collection bills on any place where there is a bank or banker.

BANKERS IN GREAT BRITAIN

The Bank of England; The Bank of Scotland; Lloyds Bank, Limited; The Union of London and Smiths Bank, Limited

---

The Dominion Bank

HEAD OFFICE - TORONTO, ONT.

Capital Paid-up - - - - -	**$3.600,000**
Reserve Fund and Undivided Profits - - - -	**4,565.000**
Deposits by the Public - - - -	**35,000 000**
Total Assets - - - - - -	**50,000,000**

DIRECTORS.

E. B. OSLER, M.P., President
WILMOT D. MATTHEWS, Vice-President
A. W. AUSTIN
JAS. CARRUTHERS
J. J. FOY, K.C., M.L.A.
W. R. BROCK
R. J. CHRISTIE
A. M. NANTON
CLARENCE A. BOGERT, General Manager
H. J. BETHUNE, Chief Inspector

Sterling and Continental Exchange Bought and Sold

Agents in Great Bitain—The National Bank of Scotland, Limited, and its branches

Branches and Agents throughout Canada

Commercia and Travellers Letters of Credit issued available in all parts of the World

---

THE BANK OF TORONTO

Incorporated 1855

HEAD OFFICE, TORONTO, ONT.

Capital - -	**$4,000,000**
Rest - - -	**4,500,000**
Assets - -	**37,000,000**

ACCOUNTS opened for firms, corporations and business men.

MONEY LOANED to responsible people.

LETTERS OF CREDIT issued for Travellers or for Importers, containing every facility for safe and convenient banking.

INTEREST paid on Savings Deposits.

EFFICIENCY and **SATISFACTORY SERVICE** will be found in every department of our business.

70 Branches in Ontario, Quebec and the West

CORRESPONDENTS IN

NEW YORK - - -	National Bank of Commerce
CHICAGO - - - -	First National Bank
LONDON, ENG. -	London City and Midland Bank

THE. BANK OF TORONTO

Toronto Humane Society

103 Bay Street

President—Ven. Archdeacon Sweeny, D.D.
Hon. Treas.—Col. John I. Davidson.

Everyone is requested to report any case of cruelty promptly, so that it may be investigated.

TELEPHONE M. 1958

Contributions for the work earnestly requested.

Dora Speers, Secretary

STERLING BANK

OF CANADA

Notice is hereby given that a dividend of one and one-quarter per cent. (1¼%) for the quarterending 31st July instant, being, at the rate of 5% (5 per cent.) per annum, on the paid up Capital Stock of this Bank has been declared, and that the same will be payable at the Head Office and Branches of the Bank, on and after the 15th day of August next, to shareholders of record of July 31st. The Transfer Books will be closed from the 2nd August to the 15th August, both days inclusive.

By order of the Board,

F. W. BROUGHALL
General Manager.

Toronto, 9th July, 1907.

Authorized Capital $5,000,000

UNITED EMPIRE

Bank of Canada

DIRECTORS

Samuel Barker, M.P., Hamilton, President; Mark Bredin, Toronto; T. Willes Chitty, London, Eng.; George A. Clare, M.P., Preston: E. E. A. DuVernet, Toronto; Lt.-Col. F. T. C. DuVernet, London, Eng.; Rev T. C. Street Macklem, Toronto; Stanley Marling, J. P., Stroud, Eng.; M. McLaughlin, Toronto; Bennett Rosamond, Almonte; William J. Smith, Toronto.

General Manager, GEORGE P. REID

Head Office, TORONTO

LETTERS OF CREDIT
COLLECTIONS NEGOTIATED AND RECEIVED
CORRESPONDENCE INVITED

THE WALL STREET JOURNAL

Founded 1882

Largest Circulation of any Financial Paper in America $1 a month; $12 a year. DOW, JONES & Co., Publishers, 44 Broad St., NEW YORK, N. Y.

THE
ROYAL BANK
OF CANADA
INCORPORATED 1869

Capital paid up - - - $3,900,000
Reserves - - - $4,390,000
Total Assets - - - $45,000,000

HEAD OFFICE - - - - MONTREAL
EDSON L. PEASE, General Manager

Seventy-nine Branches in Canada
Eight Agencies in Cuba
St. John's, Newfoundland
New York City

BUSINESS ACCOUNTS CARRIED UPON FAVORABLE TERMS
SAVINGS DEPARTMENTS AT ALL BRANCHES
CORRESPONDENCE SOLICITED

List of
BONDS
FOR
INVESTORS
Sent on Request.
Æmilius Jarvis & Co.
(Members Toronto Stock Exchange)
Toronto

THE CROWN BANK OF CANADA

Authorized Capital, - - - $2.000.000
Head Office, - - 34 King St. W., Toronto
President - - - - Edward Gurney
General Manager - - G. deC. O'Grady

The Crown Bank has branches at the following places:—

Aylmer, P.Q. In Ontario Bath, Bracebridge, Brockville, Burford, Comber, Enterprise, Hintonburg, Inglewood, Kingston, Kleinburg, Mallorytown, Napanee, Odessa, Ottawa (Sparks St., Rideau St.), Port Dover, Scotland, Seeley's Bay, Toronto (34 King St. W.. Agnes St. in-the-Ghetto, 472 Spadina Ave.), Woodbridge, Woodstock.

You are asked to make use of our Banking facilities, and information in regard to business will be courteously given to you.

Keewatin Flour Mills Co % BONDS, DUE 1916
Guaranteed Unconditionally by Lake of the Woods Milling Co.,
Price on application.
Royal Securities Corporation, Limited
179 St. James Street, Montreal 193 Hollis Street, Halifax

A Timely Lesson

Following a big burglary or serious loss by fire there is invariably increased demand for Deposit Boxes and storage room in our Safety Vaults.

How much better it is to move ahead of such happenings How much more satisfactory to be prepared.

Accommodation is provided in our vaults from two dollars a year upwards—accessible from 9 a.m. to 5 p.m. daily, and Saturday evenings from 7.30 to 10 p.m.

It is a pleasure to show any one our complete equipment—admittedly the finest in Canada.

The UNION TRUST Company Limited
Temple Building, 174-176 Bay Street

PROVINCIAL SECURITIES CO., Limited
Stocks, Bonds, Debentures, Western Land Investments
and Cobalt Properties Bought and Sold.
Phone M. 6090. Traders Bank Bldg. Toronto, Ont.

AN ALLEVIATION DURING THE SCORCHING WEATHER.

If you are melting away during the heated spell, nothing is calculated to refresh and invigorate your drooping spirits more than a mixture of radnor water and your favorite Scotch or rye.

Careful housekeepers should keep a good supply of radnor water in their refrigerator.

ENGLISH BANKS AND CONSOLS

NOT MARKED DOWN AT THE HALF YEAR'S END.

But the Banks Bought to Rally the Market Price—A Criticism of the Proceeding—The Latest Cobalt Flotation—The Methods of Silver Bird—The Other Cobalts — The Aims of the Steel Trust.

London, July 5.—The better tone which characterized markets last week has not been maintained fully. There has been no renewal of the forced liquidation so much in evidence previous to the rally, but support has not been forthcoming, and quotations have been allowed to sag. There is now no doubt that the main factor in causing the recent advance in consols was the buying of the banks, who wished to advance the market value of the premier security prior to making up their half-yearly balance sheets. A few weeks ago it appeared as though it would be necessary for our great credit institutions to mark down the book value of consols from 85, at which they are now carried, to 80. This has been avoided by the subsequent—and I believe manipulated—improvement ; and most of the companies are content to write down consols to market price (say 84½), while others have put the value at 83¼. This policy is by no means universally commended. True, dividends are maintained, but it is contended by many that our banks should always err on the drastic side, and, after all, they all have secret reserves which could have been iutilized on this special occasion without trenching upon the amount available for shareholders' distributions.

Since the turn of the year the banks' buying of consols has ceased, and the quotation has fractionally receded, in spite of day to day money being cheap and in abundant supply, a condition likely to continue, owing to the release of the July dividends. Personally, I do not believe that we shall see any material advance in consols just yet. Support will, no doubt, be derived from the sinking fund purchases by the Government, but apart from this, I do not see where the stimulus is to come from. Trustees, with their scope so greatly widened of late years, do not to-day buy consols if they can possibly avoid it, and it is not to be expected that they will do otherwise with so many excellent securities of the highest grade available to yield from 3½ up to nearly 3¾ per cent. The insurance companies may give some support, provided there is not another earthquake, and on that score we had a nasty spell of anxiety yesterday. The scientists informed us in the morning papers, that a seismic disturbance of great magnitude had occurred at a distance from us approximately to California. Instantly visions of another 'Frisco calamity were awakened—but happily it appears to have been a seaquake, after all.

The Market Outlook.

The general outlook for markets, barring further unexpected developments, is decidedly more cheerful, and in the House they talk hopefully of greater activity. The recent recovery in American railway quotations, in face of high rates for call money in New York, has aroused hope of a spell of summer activity in that long depressed market—which would be by no means an unusual occurrence. A great deal depends on how matters in that respect develop. Many thousands of American shares are being carried in the market here or are pawned with the banks, showing heavy losses to holders. A sustained recovery in New York would greatly ease the tension and would favorably influence every section of the London Stock Exchange—almost to as great an extent as far as the immediate outlook is concerned as a revival in South African shares. Wall Street does not usually remain inactive for long—quotations either rise extravagantly or fall excessively. They have now had a prolonged fall, and when dividends loom in the near future the bull leaders there, who are quite able to take prices up, irrespective of general conditions, may decide on a bull campaign. At least that is the way the market here is reasoning out the position.

Traffic Aggregates.

The traffic returns of British colonial foreign railway companies, issued this week, are exceptionally interesting, as they complete the record for the first half of the year, and in many instances conclude the various companies' full financial years. Of the home railways we are again, as far as the market is concerned, under the cloud of threatened labor troubles. The Great Western maintains its position at the head of the list of increases, with £247,700 for the six months, followed by the Northeastern with £238,737—figures which will probably be further improved upon when the weekly estimates come to be adjusted for the half-yearly accounts. All the Argentine railways, with the exception of the Rosario, conclude their financial year with June. The Pacific has an increase for the twelve months of £450,111; the Great Southern of £357,370; the B. A. Western of £220,372, and the Argentine Great Western of £186,439. The Rosario for the six months records a gain of £89,093, a satisfactory figure, considering the maize crop factor. The Leopoldina, of Brazil, for the six months has an increase of £104,367. The United, of Havana, for the financial year shows an increase of £395,215, but in this case allowance must be made for the greatly increased mileage—660, against 456 miles. The Manila, for six months, shows $359,750 increase.

British Steel Trust.

I have previously referred to the opinion expressed by Mr. Macrosty, one of the best-informed authorities on the trust movement now in progress in British industries, that in the near future we shall see the English iron and steel trades governed by loose federations of great power, each firm belonging to a number of associations, according to the variety of its products, with the final possibility of general unison on the lines of the German Stahlwerksverband. Already 36 important independent concerns have been acquired by nine great limited companies, the latest deal being between John Brown and Harland & Woolf. The result of this last combination will be to place the two firms in an impregnable position in the world's business for rapid and economical ship building. Already Stewart & Lloyd, the most wealthy corporation of tube manufacturers in the world, completely dominates the English tube trade. The next step will be the consolidation of about 80 per cent. of the steel producing capacity of the United Kingdom, and the firms associated, being powerful enough, are to bring about some international agreement.

The Silver Bird.

The latest Cobalt proposition—the Silver Bird—placed before British investors marks no improvement upon those which have been previously reported to you, despite the favorable indications which are emphasized in the vaguely-worded and crudely-constructed prospectus before me. The company boasts "a fiscal agent for Great Britain," but, with that exception, appears to have no representation in this country—at least that is the inference that must be drawn from the fact that the addresses of the directors are not disclosed. No information is given as to the Canadian offices or Toronto brokers—if any. The prospectus informs us that the Silver Bird is situated in "the heart of the richest section" of the "most wonderful mining field in the world," and that it will be "paying dividends—and big ones—within three months." "To guard against over-issue" a firm, of which I have not previously heard, and for which no address is given, has been appointed to guarantee the genuineness of certificates sold. That this proviso is necessary does not impress us here with the local reputation of the Canadian directors, whose addresses are omitted from the prospectus. Cobalt shares generally continue depressed, with the exception of Canada Consolidated, which are 30 shillings, and on which a "substantial" dividend is promised this month-end. Casey Cobalts are 1 11-16 ; Cobalt Centrals 2s., and Cobalt Townsites 2⅛.

Rand Labor Situation.

The first big batch of 800 Chinese coolies have left Johannesburg for Durban, and while the white miners who are out on strike, have made the departure the occasion of an enthusiastic demonstration, the local stock market there continues dull on the conflicting views as to how far the companies will be able to replace the coolies with native "boys.". According to a cablegram from the correspondent of the African World, the general opinion in Johannesburg is sceptical, but, as I have previously suggested, recent dividend declarations of leading Rand companies suggest that the financial houses have more confidence in the outlook than they profess. It is known that no efforts will be spared by the authorities to concentrate a larger number of native workers for the Rand than before, and Mr. J. B. Robinson—the lone child amongst the magnates on account of his anti-Chinese policy—continues to be in closest touch with the Colonial Government, being freely consulted by them. The Anglo-French Exploration Company, under the aegis of the Government, is providing for the permanent settlement of a large number of negroes from German West Africa. The land will be held subject to the yearly performance of four to six months' work in the mines under current conditions.

G. J. H.

PORTO RICO.

The Latest Company to Pass Under Canadian Control in Latin America.

Canadians have had no reason to regret their experience with the Latin-America, "The Land of To-morrow," as it has been termed. Those who secured the first allotment of bonds in Sao Paulo, Rio de Janeiro and the Mexican Tramway and Light Companies, with a proportion of bonus stock, have reaped most remunerative returns. The latest Latin-American traction and lighting system to pass under Canadian control is the Porto Rico Railways Company.

An opportunity is afforded the general public of buying bonds on a basis to yield 5½ per cent. upon the investment, and at the same time securing a bonus of 50 per cent. of the par value of the bonds in stock of a company now earning considerably more than interest on the entire outstanding issue of bonds, through an offering being made in The Post's advertising columns of securities of the Porto Rico Railways Co., Limited. This company was formed in October, 1906, under a Canadian charter, with Toronto, Montreal and Nova Scotia capitalists in control. The Canadian directors are: W. B. Ross, K.C., Halifax, vice-president Halifax Tramway Co., president Trinidad Electric Co., and director of Dominion Coal Co.; Robert E. Harris, K.C., Halifax, president Nova Scotia Steel & Coal Co.; W. M. Aitken, Montreal, director Trinidad Electric Co., and vice-president Montreal Trust & Deposit Co., with D. E. Thomson, K.C., S. J. Moore and W. K. McNaught, M.P.P., Toronto.

The electric railway and electric lighting business of this company has been in operation for years in San Juan, the capital and principal city of Porto Rico, Santurce, an important suburb, and Rio Piedras, 7½ miles distant from San Juan, and the present bond issue is being made to cover cost of construction from Rio Piedras to Caguas, a distance of 17½ miles, which, it is understood, will open up rich territory which must yield heavy freight and passenger earnings. A large part of the bonds having been placed, the remainder is now being offered, through this advertisement, one of the objects of which is to make the affairs of the company more widely known.

Applications are to be made in due course to list the stock of the company on the Toronto and Montreal Stock Exchanges.

The offering is made by A. E. Ames & Co., Limited, acting in conjunction with the Royal Securities Corporation, Montreal and Halifax, and J. C. Mackintosh & Co., Halifax. Mr. Ames has visited Porto Rico twice within the last year in connection with this enterprise, and his firm confidently recommend the investment. Porto Rico, since it was purchased by the United States from Spain, is having a wonderful development, because of the character of its soil and climate and of its getting free entry of its products into the United States market. Its exports have risen from under $9,000,000 in 1901, to over $23,000.000 in 1906, while imports have almost kept pace. It is very densely populated.

BANK OF NOVA SCOTIA
INCORPORATED 1832

Capital - - - - $3,000,000
Reserve Fund - - - - $5,250,000

Head Office: HALIFAX, N.S.
General Manager's Office TORONTO

A general banking business transacted

Savings Accounts opened by deposit of $1 or over.
Interest added four times a year

FOR THE INFORMATION OF DEPOSITORS
This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent auditor.

ESTABLISHED 1873
THE STANDARD BANK
OF CANADA
Head Office, - - - - Toronto

BANKING IN ALL ITS BRANCHES
The accounts of Commercial, Manufacturing and Business firms solicited.
Special attention given to the collection of notes and other commercial paper in all parts of the world.
Savings Bank Department in connection with all Branches

THE BANK OF OTTAWA
Head Office: Ottawa, Ont.

Capital, - - - - - - - $3,000,000
Rest and Undivided Profits, - - - 3,236,513

Branches and Agents throughout the Dominion of Canada.
Savings Department in connection with all Branches.
GEORGE BURN, General Manager

INVESTMENTS THAT PAY
My special interest, as a financial agent, is in finding out investment opportunities that the general run of investors never hear of until capitalists control them—industrial concerns that want development capital and will give rare value in stock-holdings to get it quickly. I know of five exceptional opportunities now like this—either of them open to the man with a few hundreds. It might pay you to get in touch with me.
BENJAMIN BURLAND
303 BOARD OF TRADE BUILDING, - - - - - - MONTREAL

ALFRED B. WILLIS
Mining Engineer
23 TORONTO STREET, TORONTO

THE RUBY SILVER MINING & DEVELOPING CO., LIMITED
Capital $500,000 Treasury $100,000
SHARES 50 cents.
Adjoins Green-Meehan and Red Rock properties in Bucke Township
Particulars on application
Hutchinson, Lloyd & Co., Room 24 Ottawa Bank Building, Montreal

5% DEBENTURES Issued in Sums of $100 and upwards
SPECIAL INVESTMENT. ABSOLUTELY SECURE.
ASSETS - - - $1.300.000
THE SUN and HASTINGS SAVINGS and LOAN CO.
OF ONTARIO
Write for Particulars.
W. Vandusen, Pres.
Ambrose Kent, Vice-Pres.
Cor. Yonge and Richmond Sts. TORONTO
W. PEMBERTON PAGE, Manager

We Contend That
The BUSY MAN'S MAGAZINE
is the best publication in the magazine line. But don't take our word for it. Read the unsolicited opinions of its subscribers.

Henry Wilson, Toronto
"I consider The Busy Man's Magazine the best I have yet come in contact with."
G. F. Haworth, Toronto
"It is the most interesting publication of its kind I have ever subscribed to."
B. T. Petch, Regina
"There is no better printed in the world to-day for busy men."
S. W. Wynn, Yorkton
"Your magazine is the best I have ever had the pleasure of perusing."
Ingersoll Packing Co., Ingersoll
"We would not like to miss the future copies of The Busy Man's Magazine."
A. B Musselman, Berlin
"I am pleased to say that each number is becoming more valuable and interesting."
A. B. Burrell, Amigari
"I am more than pleased with my investment in The Busy Man's Magazine, believing it to be the best magazine I have had the pleasure of perusing."
Geo. Anderson, Toronto
"I have been delighted with The Busy Man's Magazine. The articles are well chosen, are concise and ably written. For a busy man I know of no other magazine that will compare with it."
Wm. Theburn, Almonte
"The articles in The Busy Man's Magazine are just whrt we want, short and so well written that a busy man can afford time to read them and feel benefitted for the short time given to each article."
Geo. H. Peters, Digby
"The Busy Man's Magazine meets with my idea of a magazine for one who does not have a great deal of spare time to devote to reading."

These are only a few of the many letters of appreciation which we receive. We do not want you to be guided solely by what our regular readers say. We want you to judge for yourself. Send us a post card, giving your address and we will send you a sample copy.

Bear in mind every timely, interesting, and instructive article appearing in any of the current magazines and periodicals appears also in the Busy Man's—a hundred magazines for the price of one. Write us to-day.

The Busy Man's Magazine, Toronto

THE FINANCIAL POST
OF CANADA

A weekly newspaper aiming to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of Twentieth Century Canada.

No paid advertising will be inserted in the reading columns unless marked "Advertisement" excepting in he case of Official reports of annual or other meetings of corporations.

The acceptance and insertion of an advertisement shall in no way be taken as an indication of the approval of the editoral department; the latter shall be free to comment or criticize, if necessary, as their study of the situation demands.

Advertising Rates

$2.00 per inch single insertion.
$1.50 per inch each issue for six months.
$1.00 per inch each issue for one year.

Subscription Price

$3.00 per annum to any address in Canada and the United States.

12s. 6d. to any address in Great Britain or Europe.

Single copies 10c. each.

Published by the

FINANCIAL POST COMPANY,
Publication Office: 10 Front St. East, Toronto.
Montreal, 2 McGill St. Winnipeg, 511 Union Bank Bldg. London, Eng., 88 Fleet St., E.C.
President, - - - John Bayne MacLean
Managing Editor, - - - Stewart Houston

Toronto, July 20, 1907.

THE DEMAND FOR CAPITAL.

M. Paul Leroy-Beaulieu, who unites intimate knowledge of the mechanism of commerce with competent grasp of economic theory, has just published a summary of the existing monetary situation. M. Leroy-Beaulieu is famous for the accuracy of his diagnoses and for the courage with which he states his convictions. It may be remembered that it was he who first exposed the Panamaites by means of astute inferences from the published accounts of the Canal Company.

On the present occasion he expresses the following general views on the situation. He estimates that the requirements of the United States alone for industrial and financial purposes amount this year to from $2,000,000,000 to $2,500,000,000, and that the total of the available new capital in that country arising from the surplus over consumption requirements does not amount to more than one third of that sum. Should the whole of the estimated amount be expended, the balance of from $1,200,000,000 to $1,700,000,000 must be sought abroad. But no such sum of capital is at present available in the money markets of the world or is likely to be available during the succeeding twelve months.

Moreover, the domestic requirements of other nations have to be considered. Germany not only absorbs all its own savings, but obtains capital from other countries, so also do Austria, Russia, Italy and Spain. There remain only four important money markets—those of England, France, Belgium and Holland. England has been crippled in a precuniary sense by the South African war, from which she has even yet not recovered. She has, moreover, demands upon her from her own colonies. The other three important financial states have each its burdens and objections. The inference is that America must do without a large part of the capital which she demands and that the price of capital in all the markets of the world must remain high until the American demands slackens. This excessive demand for capital results in, M. Leroy-Beaulieu thinks, an undue depression of first-class securities. He regards the epoch of excited and thoughtless speculation as nearing an end, and he regards the day of the security with a fixed revenue as approaching. He, therefore, recommends genuine investors to buy first-class French and foreign securities. He says that for twenty years the investor has not had a suitable return for his capital and that now the existing situation offers him an opportunity.

It will be recognized that these views correspond very closely to those which The Financial Post has expressed from time to time. The movements which have been going on have been of too great magnitude to be affected seriously by the temporary causes of fluctuation in this or that stock, produced by the manipulations of this and that group of financiers. There are times when these influences are more or less important and in the "excited" period to which M. Leroy-Beaulieu refers they had no doubt an effect. But the situation is beyond them. No group of financiers, however strong, can control the markets at present. Time will be necessary to draw from the great saving centres the means to place the market in a position to withstand the demands upon it, which are being made and are likely to continue to be made, as opportunity offers.

For many years, interest was a diminishing quantity. The accumulation of loanable capital was in excess of the requirements, and it appeared as though the influence of capital was likely to disappear in consequence of its very abundance and the excessive competition for its employment. First-class securities went to unprecedented prices and the net amount of return was extremely small. Now, all this is reversed—the utmost frugality on the part of the saving nations has not sufficed to produce the capital annually demanded for rapid industrial development and in those nations in which rapid development was taking place, wages were so high and the general expenditure so great that the annually accruing surplus was relatively small. To correct these conditions time is necessary; and meantime the moneyed man is "king." He can command what he pleases. This is the general conclusion of M. Leroy-Beaulieu.

AN UNWISE PRECEDENT.

A circular issued during the week by a firm of brokers, who are members of the Toronto Stock Exchange, involves a nice point in brokerage ethics. The circular advises the purchase of shares of the Trethewey mine and the sale of shares in the Foster Mining Company. The comparisons are so explicit, and on that account the more invidious, that it had no effect on the market beyond appreciating the price of Foster shares. Certain paragraphs are quoted here:

"We consider that our clients would do well to sell their Foster stock at present quotations and purchase shares in the Trethewey Mining Co."

"We have made a careful study of the position of the two companies and believe that Trethewey shares have an excellent chance of selling considerably higher in the near future. On the other hand, we think Foster stock is selling very much higher than the present position and prospects of the company warrant."

"You have, no doubt, seen Mr. [illegible]ing's last reports on the Foster property. We enclose a copy of his report on Trethewey and invite comparison between the two."

These statements, as coming in printed form and widely circulated, differ from the fiduciary advice which a broker is called upon to give to a client. If the same principle were followed generally it would lead to very unpleasant situations as between brokers. If the object of the statement were to depress Foster stock because it assisted the market position of the firm, it leads to a condition which has been reprehended in the past.

It may be recalled that the Canadian Stock Exchanges assisted the legislation prohibiting the selling of bank stocks short. While there is not the same reason for such an inhibition in the general security list, the isuance of circulars by brokers making a direct attack on listed securities will not help the business in the long run. It is an unwise precedent.

MUNICIPAL OWNERSHIP.

An exhaustive enquiry by the National Civic Federation Commission on Public Ownership and Operation in the United States has resulted in two reports being published which are far from favorable to the experience of municipal ownership. Fifteen members of the committee visited the principal cities in Great Britain and the United States. A staff of engineers, accountants and statisticians, numbering more than twenty, of national reputation, examined thoroughly each undertaking. The reports of the various members of the commission are now coming to hand every few days. Thus far, five reports have been published. Their findings do not afford much comfort to the advocates of municipal ownership.

RAILROAD FINANCING.

The conclusions of the Interstate Commerce Commission, in its review of the Harriman railroads, are of a reasonable and sensible character, and are valuable as stating three principles which are of interest to all transportation companies.

First: The function of a railroad corporation should be confined to the furnishing of transportation. Railroads should not be permitted to invest generally in the securities of other railway and steamship companies, except connecting lines.

Second: It is contrary to public policy, as well as unlawful, for railways to acquire control of parallel and competing lines. This policy is expressed in the Federal laws and in the constitutions and laws of nearly every State in the Union.

Third: The time has come when some reasonable regulation should be imposed upon the issuance of securities by railways engaged in interstate commerce. We are aware that in the construction of new lines of railway developing new territory, it has been necessary in many instances to sell railway securities at large discount and to sell bonds with stock bonuses, and even in such cases it has many times been difficult to raise the necessary capital. Men will not invest their money and take the risk for small rates of interest.

But this principle does not apply to old-established railway systems having good credit. Such railways should be prevented from inflating their securities for merely speculative purposes. Railroads should be encouraged to extend their systems and develop the country. It is of the utmost importance also that railway securities should be safe and conservative investments for the public, and should yield good and ample return for the money invested. Reasonable regulation will tend to make them safer and more secure investments and thereby benefit not only the railway companies, but the public.

The first conclusion is eminently necessary. The second conclusion is the least important, and is not now of great moment. In the formative stages of the United States, some such provision may have been thought necessary on account of the railways being small systems, and many municipalities bonused lines for the purpose of obtaining competition, only to see them presently swallowed up by the systems against which they were designed to compete. Competition, on the other hand, in many districts, caused ruin to all the lines concerned, with the result that amalgamation became necessary for the furnishing of adequate facilities. The great railroad systems are fast outgrowing the minor evils of competition. In the face of proper rate regulation and the ever-increasing sense of public responsibility, the second conclusion is necessary only as the result of laws which are now of no avail.

The railway situation in the U. S. demonstrates the idleness of enacting legislation involving a broad question to fit particular cases.

The third conclusion is the most important one, and should stand as a warning to radical methods of financing by old established railways. There has been, however, so much idle discussion about the impropriety of stock bonuses with bond issues of new companies, that a recognition of its propriety in those cases coming from so authoritative a source is to be welcomed.

BANK CLEARINGS.

The activity of business since the turn of the half year has been very marked. Bank clearings at Montreal and Toronto are for the first time this year scoring large gains. Winnipeg exhibits a good increase over last year, but a slight falling off from previous weeks. The commercial situation is evidently proceeding along most active lines with no reaction.

Week ending July 18.

	1907	1906
Montreal	$33,131,467	$28,527,958
Toronto	24,865,589	21,643,790
Winnipeg	11,577,066	9,488,173
Vancouver	4,182,423	2,708,422
Ottawa	....	....
Quebec	2,133,328	1,921,996
Halifax	2,094,793	1,836,650
Hamilton	1,728,646	1,657,111
St. John	1,412,019	1,234,021
London	1,462,034	1,204,866
Victoria	1,131,777	1,276,188
Calgary	1,357,737	....
Edmonton	1,098,726	....

THE BOND SITUATION.

The comments of The Financial Post on the effort of the city of Halifax to sell its bonds over the counter, containing a very informing interview, have received quite a currency in the Canadian press. In several cities the local newspapers had given an editorial portion to their municipalities on the subject of further issues of debentures.

The London Advertiser says: "Obviously the less money that London is compelled to borrow in the present state of the money market the better. The Komoka scheme involves an immediate debenture issue of nearly $600,000. The independent scheme requires an immediate outlay of only $300,000. This is one point in favor of the independent scheme which no financier will overlook. The installation of meters in the larger premises can be carried on liesurely and spread over a number of years. The financing of that part of the independent scheme is a comparatively easy matter."

The firm of Wood, Gundy have bought $110,000 debentures of the city of Calgary and have disposed of them satisfactorily. But on the whole the bond houses report that the good sales made in Canada and in England last week have not been repeated this week. Some have felt that The Financial Post has taken a pessimistic attitude toward the bond outlook. It has been said that in view of the fact that municipalities have been forced to take considerably less for their issues than they had expected, that no one should object to their hesitation in meeting the prices of the bond dealers. A great many cities and towns in Canada have heroically faced the situation square in the face and have accepted the terms which are dictated by laws which no human agency can control. Such municipalities have fared better and will fare better than those who overlook the good offices of the bond houses. The city of Halifax, of course, has a perfect right to sell its bonds retail if it wishes, and it is a well-known fact that the investors of the Maritime Provinces have a decided preference for their own home-made debentures. For this reason it might be harder than usual for the bond dealers to dispose of Halifax issues.

But when it is considered that Halifax has now a bonded indebtedness of three and three-quarter millions, or about $460 for every family in that city, or $40 for every family in Nova Scotia, it will be seen at once that it is absurd for Halifax to dream of marketing all its bonds locally. The bond house is an institution which is invaluable to the financial interests of a country. They are willing to do all for the municipalities that is consistent with the sound principles of men who make it their business to know the financial conditions of a country. It would be folly for a bond house to talk good times when conditions are bad. It might make a temporary betterment of prices, but all too soon "the house that is built upon the sand" will fall and "great will be the fall thereof."

BOND NOTES.

Brockville.—The town expects to borrow $10,000 for improvements in the Collegiate Institute.

Goderich.—The ratepayers will vote upon a by-law on July 31 to guarantee $150,000 bonds to be issued by the Maitland River Power Company, the total amount of bonds to be issued by the company being $300,000.

Lethbridge.—Geo. Whelen, secretary-treasurer of the Lethbridge Woollen Co., Ltd., is accepting tenders till Aug. 15th for the purchase of $40,000 twenty-year 5 per cent. instalment debentures, guaranteed by the town of Lethbridge.

Melita, Man.—The town is to vote on a by-law to issue $5,000 5 per cent. twenty-year debentures for construction of sidewalks, drains, etc.

Medicine Hat.—On the 31st of July the ratepayers will vote on a bylaw to raise by way of debenture $20,000 in order to purchase 200 preference shares in Malcolm's Western Canneries, Ltd. On the same day another by-law will be voted on to raise debentures to the amount of $15,000 to provide for the erection of an isolation hospital, and for the amount of $5,000 toward a general hospital. Mr. E. Robert, the secretary-treasurer, is receiving tenders till August 1st for the purchase of $10,000 5 per cent. school district debentures.

New Glasgow, N.S.—Mr. James Roy, the secretary-treasurer, is offering to renew the water debentures which fall due upon Sept 1 with a re-issue of town bonds. He is also accepting tenders till August 10th for the purchase of $6,000 4½ per cent. thirty-year school debentures.

Sanford, Man.—H. Grills, secretary-treasurer, is accepting tenders till Aug. 3, for the purchase of twenty debentures of the municipality of Macdonald, each having a value of $686.25, one payable each year, commencing Feb. 1, 1908.

Ottawa.—The Railway and Municipal Board of Ontario has approved of the expenditure by the city of $60,000 for extension of water mains and other local improvements.

St. Thomas.—A bylaw granting $50,000 bonus for the installing of a plant to manufacture railroad cars in St. Thomas was carried on July 16th.

Strathcona, Alta.—A. T. Mode, secretary-treasurer, is receiving tenders till Aug. 1 for the purchase of $50,000 thirty-year 5 per cent. school debentures.

Yellowgrass, Sask.—T. A. Hill is accepting tenders till July 22 for the purchase of $5,000 7 per cent. ten-year instalment debentures; also for the purchase of $20,000 7 per cent. instalment debentures payable within twenty years.

G. T. R. THIRDS.

According to a London financial paper, there are good prospects for G.T.R. third preference stock. It says:

"For the five months of the current year there is now an increase of £36,300, with the final month of the half-year still to come in. Had it not been for the decrease of £27,600 on the Canada Atlantic, and for a decrease of £7,400 on the Detroit section, the net increase on the system would have amounted to £70,500, or sufficient to provide the full 4 per cent. on the third preference stock for the whole year by the working of the first five months. Moreover, the current half-year will benefit from the circumstance that at the corresponding period last year an extraordinary amount of $46,000 was paid away in liquidation of arrears on Michigan taxation. Against this should be placed the interest on the issue of £1,000,000 4 per cent. Grand Trunk Pacific bonds, amounting to £20,000, and probably a small sum for interest on the last guaranteed issue."

New York Stock Exchange.

Range of Prices for Week Ending July 19th.

—	Closing July 12	Open. July 13	High.	Low.	Last.
Amalg. Copper Co.	88¼	88⅜	92	88¼	91⅝
Am. Car & Foundry	43	43⅜	44¼	43½	43⅞
Am. Locomotive Co.	58	58	59¼	58	59
Am. Smelt. & Ref.	117⅝	118	121	117¾	118⅝
Am. Sugar Ref. Co.	122	122⅜	123	122¼	123
Am. Tobacco Co., pf.	84½	87½	88	85½	85½
Am. Woolen Co.	25½	26½	28	26½	28
Anaconda Cop. Min.	57	57	59	56¾	58¾
At., Top. & S.F.	90½	90¼	92⅞	90¼	92⅝
Atlantic Coast Line	96½	97	98¼	97	98¼
Baltimore & Ohio	97¾	97⅝	98¾	97	98⅛
Brook. Rapid Transit	57	57	59¼	55¾	55⅞
Canadian Pacific	174¾	174¾	178¼	174¾	178
Chesapeake & Ohio	34⅝	34½	35⅞	34	34⅞
Chi., Great Western	11½	11⅛	11¾	11	11⅝
Chi., Mil. & St. Paul	131¾	131⅝	135¼	131⅛	134¼
C., C., C. & St. Louis	67½	67½	68⅞	68	68¾
Chi. & Northwestern	148⅝	147½	151⅝	147½	151⅝
Colorado Fuel & Iron	31½	31¾	32⅞	31¼	32¼
Colorado & Southern	25	24¾	25¾	24¾	25
Consolidated Gas	117¾	117¾	120	119	120
Delaware & Hudson	170	170	172⅞	170	172¾
Den. & Rio Grande	27¼	27¾	28¾	27⅜	28¼
Dul., S.S. & At.	....	....	11¾	11¼	11¼
Erie	24¾	25	26	25	25⅝
Erie, 2d pf.	41	41¼	42½	40½	41¾
General Electric	136¼	136¼	137¾	136	138
Great Northern, pf.	131¼	132	138⅜	132	137⅜
Illinois Central	141⅛	141⅛	144	144	144
Interb.-Metropolitan	16	16	17	15⅛	15⅛
Internat. Paper Co.	15	15	15¼	14¾	15¼
Louisville & Nash.	115	115¼	117½	115¼	117¼
Mackay Companies	66½	70⅛	70½	69	70
Mackay Companies, pf.	66	66	66¼	66	66
Mexican Central, pf.	21½	21½	21½	21½	21¼
Minn. & St. Louis	40	39	42¾	39	41¾
M., St. P. & S.S.M.	103½	104	108¼	104	107½
M., St. P. & S.S.M., pf.	138¼	138¼	....	....	....
Mo., Kan. & Texas	33⅜	33¾	36	33⅜	35⅞
Missouri Pacific	74⅝	75	76¾	75	75¾
New York Central	112¼	112½	114	112⅜	113½
N.Y., Ont. & Western	37½	38	38¼	36	38¼
Norfolk & Western	75	75½	77	75⅝	76⅛
Northern Pacific	127½	128¼	137⅝	128⅛	137⅛
Pennsylvania R.R.	122¼	122½	124¼	122½	124
People's Gas, Chi.	91½	91½	92⅜	91½	92⅜
Pullman Company	162	162	161⅛	161	161
Railway Steel Spring	42	42	42	42	42
Reading	102¼	102¾	105	102¼	104⅜
Rep. Iron & Steel	27¼	27¼	28¾	27½	28
Rock Island Co.	21¼	21⅜	22¼	21⅜	22⅛
Rock Island, pf.	47	47¼	47¾	47	47¼
St. Louis Southwestern	....	....	21¾	20	21¼
Sloss-Shef. Steel & Iron	57	57¾	58⅜	57	58
Southern Pacific	78½	78¾	82⅜	78¾	82¼
South. Railway	20	20	20⅜	19⅝	20¼
Texas & Pacific	29¼	30½	30½	30	30
Union Pacific	137¼	137½	145¼	137½	144¾
U.S. Rubber	36½	36½	36¼	32¼	36¼
U.S. Steel	36⅜	36⅜	38⅛	36	36½
U.S. Steel, pf.	99⅝	100	100⅞	99⅞	100⅜
Wabash	13¼	13½	13⅞	13¼	13⅞
Western Union Tel.	77¾	77¾	....	....	....
Wisconsin Central, pf.	40	40	....	....	....

Railroad and Street Railway Earnings

Gross Earnings

—	Week ending	1907.	1906.	Changes.		From date mentioned to the last week for which earnings have been reported.				
						Date.	1907.	1906.	Changes.	
Canadian Northern	July 14	216,600 00	135,700 00	+	80,900 00	July 1	424,400 00	273,900 00	+	150,500 00
Canadian Pacific	July 14	1,551,000 00	1,326,000 00	+	225,000 00	July 1	3,093,000 00	2,645,000 00	+	448,000 00
Duluth, S.S. & Atlantic	July 7	62,959 00	67,455 00	−	4,496 00	July 1	....	....		....
Grand Trunk System	July 7	857,743 00	793,055 00	+	64,688 00	July 1	....	....		....
Grand Trunk System	July 14	912,285 00	845,539 00	+	66,746 00	July 1	1,770,028 00	1,638,594 00	+	131,434 00
Minn., St. P. & S.S.M. (Soo)	July 7	264,818 00	271,246 00	+	47,572 00	July 1	....	....		....
Detroit United	June 30	183,315 00	164,075 00	+	19,240 00	Jan. 1	3,064,141 00	2,726,513 00	+	337,628 00
Halifax Electric Tram	July 14	....	....		....	....	....	....		....
Montreal St. Ry.	June 30	....	....		....	....	....	....		....
Toledo Railways System	July 14	....	....		....	....	....	....		....
Toronto Railway Co.	July 7	69,755 79	62,212 00	+	7,543 67	Jan. 1	1,645,035 03	1,477,368 34	+	167,666 69
Twin City	June 30	166,290 00	147,494 12	+	18,796 00	Jan. 1	2,828,288 00	2,535,666 00	+	292,622 00

Net Earnings

—	MAY 1907	MAY 1906	Changes		Six months. 1907	Six months. 1906	Changes	
Illinois Traction Company.								
Railroad	249,890 66	188,011 63	+	61,879 03	1,256,173 32	951,890 09	+	304,283 23
Gas	18,083 42	17,014 25	+	1,069 17	121,865 65	116,466 37	+	5,399 28
Electric Light	37,595 97	34,333 56	+	3,262 41	256,773 29	234,753 80	+	22,019 49
Steam Heat	901 76	628 86	+	272 90	65,958 67	59,759 77	+	6,198 90
Miscellaneous	646 95	....	+	646 95	5,546 56	....	+	5,546 56
Total Gross	307,118 76	239,988 30	+	67,130 46	1,706,317 49	1,362,870 03	+	343,447 46
Exp. and Taxes	176,109 08	135,397 12	+	40,711 96	974,882 43	776,443 07	+	198,439 36
Net	131,009 68	104,591 18	+	26,418 50	731,435 06	586,426 96	+	145,008 10
Mexican Light & Power Co.								
Gross	388,387 50	313,425 79	+	74,961 71	2,292,950 15	1,754,833 52	+	538,116 43
Expenses	146,335 77	140,030 49	+	6,305 28	910,114 03	828,102 20	+	82,011 83
Net	242,051 73	173,395 30	+	68,656 43	1,382,836 12	926,731 32	+	456,104 80
Fixed chgs	150,000 00	94,784 00	+	55,216 00	900,000 00	568,704 00	+	331,296 00
Surplus	92,051 73	78,611 30	+	13,440 43	482,836 12	358,027 32	+	124,808 80
Exp. per cent. of gross	37.79	44.68	−	6.98	39.70	47.18	−	7.48

IMPERIAL BANK
of Canada

DIVIDEND NO. 68.

Notice is hereby given that a DIVIDEND at the rate of 11 per cent. (11%) per annum upon the Paid-up Capital Stock of this Institution has been declared for the quarter ending 31st July, 1907, and that the same will be payable at the Head Office and Branches on and after THURSDAY, the 1st of August next.

The Transfer Books will be closed from the 19th to the 31st July, both days inclusive.

By order of the Board,
D. R. WILKIE,
General Manager,
Toronto, Ont., 26th June 1907.

1854 THE 1854
HOME BANK OF CANADA

One Dollar starts a savings account. A metal coin and bill Home Savings Bank or a neat Vest Pocket Savings Bank for coins, loaned free of charge to depositors who desire them.

FULL COMPOUND INTEREST

Branches open 7 to 9 o'clock every Saturday Night.

78 Church Street, Queen Street West, Cor. Bathurst,
Bloor Street West, Cor. Bathurst,
Head Office: 8 King Street West, Toronto

BRANCHES
Alliston, Belle River, Oannington, Lawrence Station, Melbourne, St. Thomas, Walkerville, Fernie, B.C., Winnipeg, Man

JAMES MASON, General Manager

JOINT DEPOSIT ACCOUNTS.

A joint deposit account with this Corporation is a convenience to husband and wife, mother and daughter, two or more executors or trustees, etc. It may be opened in such a way as to be drawn upon by either.

Interest at Three and One-half Per Cent
per annum will be added to the account and compounded FOUR TIMES A YEAR.

CANADA PERMANENT
Mortgage Corporation TORONTO STREET, TORONTO.

The
Standard Loan Company

pays FIVE PER CENT interest on debentures. The Capital of the Company is $1,000,000, with assets of two million and a half, and the high character and financial standing of its Directors is an assurance of safety to investors.

W. S. DINNICK
Vice-Pres. and Managing Director
Head Office—24 Adelaide Street East, Toronto

The Art of Wall Street Investing
By JOHN MOODY
This is the first modern attempt to cover the subject in such a way as to be of interest to the individual investor as well as the more expert banker and broker. It is a practical hand book for investors. Price, $1.00 net. By Mail $1.10.

The Pitfalls of Speculation
By THOMAS GIBSON
Deals exclusively with marginal speculation and analyzes in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies. Widely commended by the newspaper press. Price $1.00 net. By Mail $1.10.

The Gold Supply and Prosperity
A consideration of the steadily increasing production of gold and its effect upon prices, wages, rents, interest, industry, securities, business ethics, politics and society. By Horace White, Irving Fisher, John B. Clark, Maurice L. Muhleman, Ellis H. Roberts, John DeWitt Warner, Robert Goodbody and others. Price $1.00 net. By Mail $1.10.

Moody's Magazine
A Monthly Review for Investors, Bankers and Men of Affairs.
Subscription Price, $3 per year

The four issues---three books and Moody's Magazine for a year---are offered for a remittance of $5.00. Under the existing postal arrangements Canadian subscriptions should include 75 cents extra per year for postage on magazine. Foreign subscriptions should include postage on books and 75 cents per year for the magazine. Any one of the four furnished separately on receipt of the price indicated. Make checks to the order of

MOODY'S MAGAZINE 35 Nassau Street New York City

This Surplus of Over a Million and a-Half

—$1,552,364.26—the 1906 surplus of The Mutual Life of Canada, on Government Standard of Valuation — or $1,203,378.58 on Company's Valuation Standard (an increase on the latter, for the year, of $251,377.46)—proves that The Mutual Life enjoys, to an extraordinary degree, the full confidence of the people.

The gains in every department are far beyond our expectations—and the steady gains of preceding years had made those expectations reasonably high.

Write the Head Office, Waterloo, Ont., for particulars.

71

the Mutual Life Assurance Co
OF CANADA.

The Royal Trust Company,

HEAD OFFICE, MONTREAL

Capital Subscribed . . .	$1.000.000
Capital Paid Up	600.000
Reserve Fund	600.000

BOARD OF DIRECTORS

Right Hon. Lord Strathcona and Mount Royal, G.C.M.G. President.

Hon. Sir George Drummond, K.C.M.G. Vice-President

R. B. Angus	Sir W. C. Macdonald
E. S. Clouston	Hon. R. Mackay
E. B. Greenshields	A. Macnider
C. M. Hays	A. T. Paterson
C. R. Hosmer	Sir R. G. Reid
H. V. Meredith	James Ross

Sir T. G. Shaughnessy, K.C.V.O.
Sir Wm. C. Van Horne, K.C.M.G.

TORONTO BRANCH
BANK OF MONTREAL BUILDING
M. S. L. RICHEY, Manager

That the sumer traffic will make remarkable changes in the position of the company is evidenced by the statement of earnings for the first two weeks in July. These are over $150,000. July, August and September should bring the gross receipts for the fiscal year up to $3,500,000, leaving about $1,500,000 for net, which will be sufficient to provide the usual dividend on the increased capital stock.

NOVA SCOTIA STEEL

ONE OF CANADA'S GREATEST INDUSTRIES.

The Current Year Should Be a Record One — Profits Will Likely Equal 13 Per Cent. — Reserves Well Built Up —The Anomaly in the Market Price —The Company's Interesting Career.

When the ordinary stock of the Nova Scotia Steel and Coal Company, Limited, was selling at a range of $60 to $70 in 1905 and 1906, shareholders had, at least, some consolation in the fact that the then comparatively high price was maintained in spite of the passing of the dividends, from the second half of 1904, until the first quarter of the year 1907.

It seems a travesty on stock exchange values when, with the resumption of dividend payments at the rate of 6 per cent. per annum, the stock should fall away to a level below the average price of the years of financial depression within the company. But it is now a matter of record, that in the mid-period between dividends, the stock sold as high as 67 to 68, while in the month immediately preceding the last dividend declaration, and the last excellent annual report of earnings and expenses, a large turnover was registered on the Montreal and Toronto Stock Exchanges at 69½, and a few weeks previous to that at 62.

If surplus earnings and dividend disbursements are to be considered the true and only economic considerations upon which values may be based, how then can such an anómaly be explained? The action of the directors in passing the dividend, at a time when there was great depression in the iron and steel trades, could not be subject to any criticism, as the surplus on the year's operations of 1904 (when the dividend was first suspended for the second half of the year) after all fixed charges, sinking fund, the full 8 per cent. dividend on the preferred stock and a 3 per cent. dividend on the common stock had been paid, amounted to only $10,107. In the following year, profits on operations were $99,575, a sum unequal even to the task of meeting the half-yearly dividend of $144,690 on the common, as paid in 1904. The position was very much altered in 1906, as will be shown later.

It is evidently not in that direction where the solution of the price anomaly is to be found. The very fact that dividends have been passed is probably an influence sufficient to outweigh, for many years, the surplus capabilities of any company, and create in the cautious investor a feeling of suspicion and uncertainty. To that, and the world-wide depression in stocks may be attributed the extraordinary low price of to-day, giving a return on the purchase of about 9 per cent.

The Nova Scotia Steel and Coal Company, Limited, is one of Canada's greatest industrial undertakings, its dividend record to the contrary notwithstanding. It will be interesting to dissect, for the benefit of present and prospective stockholders, the integral parts of its body financial, and owing to the exceptional period of general prosperity in the iron, steel and coal business in 1906, the task will not prove an unpleasant one.

At the end of 1906, the balance sheet of the company showed a profit and loss surplus, and a general reserve of a combined total of $1,930,783, which is equivalent tp 38.70 per cent. on the outstanding common stock of $4,987,600. There was, at the same time, the sum of $650,989, held as a reserve for general depreciations and for unusual expenses and renewals, which was equal to 5.64 per cent. on the entire cost of the properties owned and operated by the company, and valued in the last statement at $11,519,416. This special reserve bore a ratio of 13 per cent. to the common stock; thus making a total reserve of about 50 per cent., after allowing for the expenditures which would in all probability be immediately required from the special reserve fund at the commencement of a new fiscal year.

It is seen, therefore, that the company has some equities not hitherto fully appreciated by the habitue of the "street" or the investors looking for favorable opportunities for income.

For the year 1906, the profits were $960,281.03, compared with $559,906.63 in 1905, an increase of $400,375, or 71 per cent. It was easily the best year in the company's history, and raised the profit and loss surplus from $795,325 at the end of 1905, to the present sum of $1,180,783.89.

The profits in 1906, after the payment of fixed charges, sinking fund, dividends on preferred shares, directors' remunerations, and fire insurance; and inclusive of the payment of $101,875 into the special reserve fund for depreciations, etc., amounted to $487,337, equivalent to 9.79 per cent. on the common stock. After all deductions were made, there was still a surplus equal to 7.70 per cent. on the stock, which would have been ample to provide a handsome return to the holders of common stock.

The directors, however, with the lessons of the two and three-quarter years' dividend omissions, decided not to pay on the earnings for that year, but declared a quarterly dividend at the rate of 6 per cent. per annum, payable on April 15, of this year. The amount will, of course, be deducted from the current year's earnings.

This action of the directors placed the finances of the company in an exceptionally strong position, as there was carried forward to the credit of profit and loss, a balance of $1,180,783,89, representing an excess of 48 per cent. over the amount brought forward from 1905. This sum alone bears a ratio of about 24 per cent. on the common stock outstanding.

It is difficult to find a flaw in the financial position of the company today. Never since the early days of operations have the preferred dividends been in danger, and, as a consequence, the stock has been very closely held, a sale on either the Toronto or Montreal Exchanges being very exceptional. It pays an 8 per cent. dividend, and on the current price around 111, gives a return on the investment of about 7.29 per cent. On the strength of the foregoing analysis, it is indeed remarkable that such an issue should return over 7 per cent. on the purchase price, but as sales have been of small volume, probably less than 200 shares changing hands during the past six months, the quotations are, no doubt, only nominal, and intending purchasers would be compelled to bid up in order to secure any considerable supply.

Through the unfortunately late spring the coal shipments so far this year have fallen off about 25,000 tons, when compared with the corresponding half-year of 1906, but the small decrease should easily be overtaken before the end of the present navigation season. The latest reports from New Glasgow, N.S., where the head office is situated, state that there is now a greatly increased output from the company's collieries, through the installation of new machinery and hauling plant.

The blast and open hearth furnaces are working very satisfactorily, the output for June being particularly gratifying to the officials, who say that returns from the combined steel and coal departments in that month formed a record in the history of the company.

Considering that at the commencement of the present fiscal year the company had orders booked for 22,000 tons of steel at better prices than in 1906, and that the plant's capacity has been unequal to the task of providing for the consumptive demand, to say nothing of the production and sale of pig iron, which is one of the staple products of the plant, on a greater scale than formerly, the year ending December 31, 1907, will be a revelation to holders of the company's securities.

It will, of course, not be forgotten that an increase in steel, pig iron, etc., means a corresponding increase in the amount of bounty receipts, and this will be further augmented by the increased bounty rates, which come into force at the beginning of the year. Last year's operations were conducted without the full benefits of bounty payments, as the rates were then at the lowest prices in the declining rates of payments of the last four-year bounty term. In the coming year, however, the position in this respect will be vastly improved, as the company will receive $2.10 per ton on pig iron made from Canadian ore, against only $1.05 in 1906. The higher rate of bounties will be continued for two years from the first of the present year, and in 1909, this will be reduced to $1.70 per ton, and in the fallowing year to 90 cents per ton. As the production of finished material in the steel department has increased enormously during the past six months there will also be heavier bounty receipts on that account than in previous years. Bounties on these steel products have also been increased almost 100 per cent over the last year of the recent four-year bounty term.

It ishould be pointed out that, although the record of 1906 was so good financially, the company should have done even better than reported in the annual statement of the directors. Notwithstanding that the total volume of business was greater than in the previous year, the production iof iron ore was considerably curtailed by the necessity of taking out the blast furnaces at Sydney Mines, for refining during the months of November and December. Consequently the output of pig iron was not much greater than in 1905 and the big total production had to be otherwise made up in the steel and coal departments.

All things considered, there is every probability of the company showing net profits for the year ending December 31, 1907, at about $1,200,000 to $1,250,000, which, together with the $1,180,783 brought forward from the credit of last year's profit and loss account, will give a total from $2,380,000 to $2,430,000 available for distribution.

The estimated profits of $1,200,000, after allowing the same liberal appropriations to reserve, etc., and the payment of fixed charges, and preferred dividends, as in 1906, will show a surplus of nearly $650,000 on the year's operations, or equivalent to about 13 per cent. earned on the common stock outstanding of $4,987,600. This estimate does not, as a matter of course, embrace the balance brought forward, but is an estimate of surplus, after all deductions, excepting common stock disbursements, on the actual working profits of the year.

The following table shows the profits of the Nova Scotia Steel and Coal Company, Ltd., for the past six years. The figures are net profits, after working expenses, and do not represent the amount available for common dividends, but the total amount from which fixed charges, sinking fund, general appropriations and preferred and common dividend payments are to be taken:

Year.	Net profits.	Dividend
1901	$508,936.79	4
1902	609,935.24	5½
1903	859,397.19	6
1904	501,337.22	2
1905	559,906.63	Nil
1906	960,281.03	Nil
1907 (estimated)	1,200,000.00	3

LAKE SUPERIOR'S IMPROVEMENT

In reply to a query on Lake Superior Corporation, the Wall Street Journal says:

The report for the fiscal year ending June 30 has not been made public, and the exact condition of the Lake Superior Corporation is not now known, but enough is known from which to say that the position of the company has strengthened during the past year. The output of steel rails has been greatly increased, from which earnings have been satisfactory, and particularly all of the subsidiaries are improving their position. Eventually the proposition as a whole should be worked out to the advantage of stockholders, but the prospects of an advance in the market price of the common stock are not especially attractive at this time. The stock is essentially speculative, and it is to be recommended on that basis alone.

LOCAL LOANS IN LONDON.

British Municipalities Reduce Their Demands—Winnipeg Bonds Fell Flat.

The stringency of the time is well illustrated in the falling off of the amounts borrowed by local authorities in Great Britain. The following table is taken from the Municipal Journal, July 5th, thousands being omitted:

HIGH GRADE
MUNICIPAL DEBENTURES
YIELDING FROM 4% TO 5½%

Particulars and Detailed Information
Gladly Furnished on Application.

WOOD, GUNDY & COMPANY
TORONTO

JAFFRAY —AND— CASSELS

Members Toronto Stock Exchange
11 Toronto St.
Toronto.

W. G. Jaffray.
D. S. Cassels.

Weekly Market Letter issued and reports on investments furnished.
Correspondence invited.

F. B. McCURDY & CO.
DEALERS IN
Stocks, Bonds and Debentures
Special attention given to the investment of monies in sound Canadian Securities.
CORRESPONDENCE INVITED.

4 Hospital St., MONTREAL
85 Hollis St. HALIFAX, N.S.

Cable Address: "McCurdy."
MEMBERS MONTREAL STOCK EXCHANGE

W. H. Brouse Geo. G. Mitchell T. Ross Boys E. Gordon Wills
BROUSE, MITCHELL & CO.
Members of Toronto Stock Exchange
Office: 19 Colborne St. (S.-W. Cor. Scott Street)
TORONTO, CANADA

Stocks bought and sold on Toronto, Montreal, New York and London, Eng., Exchanges

Government and Municipal Debentures and Investment Securities Dealt in on Commission or Otherwise.

E. G. Rykert & Co.
Members Montreal Stock Exchange
22 St. John Street, Montreal
Stocks, Bonds and Investments
Unlisted Stocks and Securities

What is it Worth to You?

To have every week the current financial news carefully condensed in a readable manner?

To have every week one or more Canadian investments analyzed by a recognized financial authority?

To have every week a financial letter direct from London, Eng., and one from New York?

To have every week valuable items of financial interest collected from all the Canadian daily and weekly papers.

To have every week the market reports tabulated in an unusually complete way?

To have on occasion a warning against questionable promotions.

To have every week an inspiring article along saving and self help lines?

If you are willing to send us your name and $3.00 we will furnish you with weekly advantages as above in the columns of

The Financial Post, Publication Office, 10 Front E., Toronto

EDWARD CRONYN & CO.
MEMBERS TORONTO STOCK EXCHANGE
STOCKS AND BONDS DEALT IN ON ANY EXCHANGE
15 LAWLOR BUILDING, Cor King and Yonge Streets TORONTO
TELEPHONE M. 1111

	1907	1906	Inc. or Dec.
Government.........	Nil.	Nil.	....
County Councils.........	£5,594	£ 187	inc. £5,406
Municipalities.........	669	2,424	dec. 1,754
Urban District Councils............	288	590	dec. 302
Rural District Councils.........	11	42	dec. 21
Boards of Guardians.........	78	124	dec. 45
Miscellaneous Bodies.........	134	6,228	dec. 6,093
Foreign and Colonial Authorities..........	1,227	1,239	inc. 68,092
	£8,114	£10,837	dec. £2,723

The municipalities show a very considerable falling off, and had it not been for the requirements of the county councils, notably of the London County Council, the total falling off in new debt would have been greater than it is. Two of the colonial issues included in above list are Canadian. They are the Winnipeg 7 per cent. loan and the 4½ per cent. debentures. Together, they amount to £626,000.

The issue of the Winnipeg debentures fell flat and it is reported that the bulk of the issue remains with the undertakers. According to the Municipal Journal, Winnipeg has been borrowing otherwise from London bankers on rather onerous terms. The large cities have not issued any stock for public subscription during the year; but they are understood to have borrowed largely from banks, insurance companies and private parties, Birmingham, for example placed a twenty-five year loan at 3¾ per cent. with the Prudential Insurance Company for £250,000 ($1,250,000). In the best class of renewals of expiring bonds has been effected at an advance of from ¾ per cent. to 1 per cent. on the former rates.

Certain of the large cities during the past few years, have been in the habit of issuing bills—promissor¼ notes—having a currency of from six to twelve months. These have had to be renewed during the present stringency at advanced rates. The aggregate, as given by the Municipal Journal, is £3,223,000, ($16,100,000), which has been issued at a mean rate of 3.675 per cent., against a total of £2,800,000, at an average rate of 3.56 per cent. in 1906. One issue of these bills, made by the London County Council in January was negotiated at the high figure of £4 3s. 11½d. per cent., or 4.203 per cent.

The condition of the market has, of course, prevented all but indispensable borrowing and has put an end for the present to almost all extensions of municipal enterprise.

THE DRAFTS OF GOLD

WHY THE BANK OF FRANCE FORTIFIES ITSELF.

Its Immense Hoards of Gold are Customary — Drawing on America — Germany's Need of Funds—The Bank of England Offers a Premium on Gold —A Strong European Money Market a Great Safeguard.

Specially written for The Financial Post.

The withdrawals of gold from the United States to Europe since May 21. when the present operations began, though not wholly unprecedented, exhibit some unusual features. On previous occasions when heavy gold drafts took place the operation was spread over a considerable period—in the case of the notable gold movements of 1891-92, for example, they extended over fifteen months. The aggregate amount was larger than in the present case up till this time, but since May the proportional movement has been greater. It is also notable that the gold has been going as it did in 1892, to Paris, although from there it has subsequently gone to Austria, Italy and Germany. Curiously enough, Paris has also been sending gold to Havana. When the recent movement began no gold shipments had taken place to Europe since July, 1905. The reasons for the large withdrawal have been subjects of considerable speculation in the financial journals, both in Europe and in the United States. Mystery nearly always surrounds gold movements at the time when they take place. Sometimes the real causes of the transactions emerge after a time. Frequently they never emerge at all. Since the bulk of the gold in the present movement was consigned to the Bank of France, directly or indirectly, it has been supposed that some circumstances affecting the French situation had been the cause of the operations. It was held for example that they were due to the desire of the bank to strengthen its reserves in view of a projected new Russian loan, or in view of the political situation which might arise from the disturbances in the Midi, or in order that it might protect itself in the exchange markets from any dislocation which might arise on account of the shortage of the wheat crop in America and the consequent absence of European remittances to America at the customary period.

The movement has, however, been disproportionate to any of these causes, although it might have been produced by all of them together. Russia shows no signs of requiring to float an external loan upon an adverse market. Serious as the Midi riots were, the bank was already strong enough to stand almost any domestic strain. The third-mentioned cause—that connected with the manipulation of the exchanges—may have been a factor in the situation; but it seems more likely that Paris has simply been the depot for gold destined ultimately for other countries, for gold was withdrawn for Paris not only from New York, but from London and has been from thence distributed. The fact seems to be that owing to its enormous stock of gold, Paris has come to be in the position of the gold market—the place to which everyone who wants gold may come. If the present movement were to go on indefinitely it would become the place to which everyone who wants gold may go. However, the position may, after all, be explained in a simpler way. The gold usually held by the Bank of France in July is about $575,000,000. At present there is required still about $20,000,000 to make up this amount. The withdrawal of twenty or thirty millions so important for the New York markets is a small affair to the Bank of France. Unless a change in the situation takes place, another fifteen or twenty millions may yet be taken from New York. The effects of the drain which has taken place are already considerable. Other causes, of course, have conspired; the New York banks have reduced their loans over $120,000,000, the cash holdings have gone down by about the amount of gold sent out of the country, and the surplus is reduced by about $14,000,000. It has been observed above that the manipulation of exchange may be a factor in the situation. If the wheat crop is no more than sufficient to supply the domestic market, and this is a condition which has occurred before, there will, inevitably, be the necessary credits in Europe to meet the accruing obligations on account of the temporary and permanent loans which have been effected there by America. Again a failure of the wheat crop would mean a constriction of industry in the United States, at all events, to a certain extent, and consequently a probable fall in the prices of commodities and a reduction in the earnings of the railways. These conditions would check speculation and promote the sale of American securities in Europe. The possession of a large stock of gold in Europe would avail for the liquidation in advance of much of the indebtedness of America to Europe in respect to the stocks which Europe might put upon the market.

Another important factor is the financial situation in Germany. This is by no means satisfactory. If the unfavorable symptoms continue, the German banks must fortify themselves by importing gold. Indeed, it is likely that the export of $1,000,000 a fortnight ago nominally for Holland, was in reality for Germany, as well as some of the gold sent in the first instance to Paris. If this is the case the movement has begun already. German credit is at all times on a rather precarious basis and at present the forcing process has been applied to German industries to such an extent as to make the equilibrium extremely unstable. The very small margin of profit upon which the German merchant habitually works, leaves him little margin to stand the strain of a check.

A remarkable feature of the recent gold movements has been the adoption of a method to induce shipments of gold to England by the Bank of England. For the first time for many years, the bank has been paying not only a premium upon gold of 3d. per ounce, but it has also even allowed interest from the date of shipment. This practice has long been adopted by the Bank of France and by other continental banks, but within recent years it has not been adopted by the Bank of England.

Meanwhile, in spite of the large withdrawals of gold, stocks in the New York markets have exhibited a certain spasmodic buoyancy. This may be due merely to reaction against the low prices which have been prevailing since the panic in March; but it may also be due to optimism regarding the crop situation, and to the fact that low-priced stocks induce saving and attract the conservative and thrifty investor. At any rate it would appear that such alleged influences as the attitude of Mr. Roosevelt towards the railways had very fully expended themselves.

A strong money market in Europe is a great safeguard against serious difficulties in the United States, even although there may arise in Europe an indisposition to provide a reservoir from which resources may be obtained for fantastic inflation of speculative stocks.

SETTLEMENT NEARER.

The Coal Company Moves to Postpone the Trial—Their Counter-move to Mr. Plummer's Coup.

When two great companies are involved in a conflict the moves become interesting. By a sudden stroke, involving an extra-ordinary order-in-council, Mr. J. H. Plummer, president of the Steel Company secured the postponement of the annual meeting until after the trial. It was natural that the Coal Company should then move to postpone the trial. If the motion is granted a settlement cannot be much longer delayed.

On Thursday, notice was served by the solicitors of the Coal Company that to-day (Saturday) they would move before Judge Longley to have the trial postponed.

Two affidavits are the basis of this motion; one from President James Ross, that a majority of the Steel Company stockholders want the litigation to cease, and the other from General Manager G. H. Duggan, that some important witnesses are out of the province and their evidence will not be available. Mr. Ross states in his affidavit that he was approached after his return from Europe in the spring by shareholders representing 187,000 shares of Dominion Iron and Steel stock to stop the litigation, and this would have been accomplished at the annual meeting on July 5th had it not been postponed. He requests that the trial be adjourned until the annual meeting, when the shareholders will have an opportunity of expressing their views in regard to the continuation of the litigation.

Mr. Duggan's affidavit states that, relying on the fact that litigation would be stopped, two important witnesses, Hon. Robert Drummond and Prof. Donald, are out of the province, and their evidence is not available.

Separate counsel file notices of motion on behalf of E. H. Lemaya, a Montreal Steel shareholder, to postpone the trial, on the ground that a majority of the shareholders wish the litigation to cease. Mr. Lemaya writes to Mr. Ross, under date of July 15th, that he is applying on behalf of himself and other shareholders to have the litigation adjourned until the shareholders have met to express their views, and this letter is made part of the proceedings.

The substance of the application of Mr. Lemaya seems to be that the majority of the shareholders have the right to control the affairs of the Steel Company; that a section of the directors should not be permitted to destroy that right; that the directors had no power to do by bylaw what they could not do directly i.e., take away a shareholders' meeting, duly called, and that if they had such power they obtained the sanction of the Governor in council, which was necessary to make the bylaw effective, by misrepresentation and the suppression of the object of the bylaw; that litigation in respect of the action of the directors will be avoided and fair play to all parties be secured if the case is allowed to stand until the voice of the majority of the Steel shareholders is heard; that an adjustment is in the interests of both companies, and also in the interests of the public; that the courts should not be asked to take up the trial until the majority of the Steel Company, which has the ultimate right to say what shall be done, is heard.

THE COBALT SHIPMENTS.

Six Carloads Go Out in Spite of the Strike—Coniagas Leads as Usual.

In spite of the strike the Cobalt mines made a very respectable shipment for the week ending July 13, sending out six carloads, of which the Coniagas was responsible for three. Up to date this year there have been shipped 6,706 tons. The estimate of value cannot be obtained until all the smelter returns are to hand.

The Right-of-Way has declared a dividend of seven per cent., which is the second at the same rate in three months, one car realizing $9,540 and the other $51,300, or nearly $1,000 per ton for the second carload.

Week Ending July 13.

	Lbs.
Coniagas	319,210
Mc-Kinley-Darragh	80,000
Buffalo	60,000
Foster	52,000
Total lbs.	511,210

The shipments for the year to date are:

	Lbs. Year to date.
Coniagas	3,491,840
Nipissing	2,650,052
O'Brien	2,234,381
Trethewey	1,095,718
Buffalo	1,224,300
La Rose	739,898
Silver Queen	389,148
Green-Meehan	196,790
Cobalt Central	141,877
Kerr Lake	249,000
Cobalt Townsite	136,230
Foster	192,350
Right of Way	134,530
Colonial	74,250
University	61,385
McKinley-Darragh	140,000
Temiskaming	54,500
Hudson Bay	55,500
Red Rock	40,000
Nova Scotia	30,000
Drummond	44,090
Imperial	37,530
Total	13,413,69
Tons	6,706.68

The shipments for May and June were:

	May. Lbs.	June. Lbs.
Coniagas	682,920	1,589,640
O'Brien	557,290	64,520
Nipissing	43,310	477,450
Trethewey	229,020	224,200
Buffalo	82,770	281,130
Hudson Bay	55,500	....
Temiskaming	54,500	....
Townsite	46,070	....
Silver Queen	44,000	124,580
Cobalt Central	40,000	....
Right of Way	1,400	129,330
La Rose	....	316,216
Kerr Lake	....	94,000
Colonial	....	40,000
Drummond	....	44,090
Foster	..	40,000
	2,226,780	3,425,156

The shipments for the first four months are as follows:

	Jan.	Feb.
Nipissing	623,701	457,620
O'Brien	419,831	390,110
Buffalo	279,000	120,000
Trethewey		178,648
Coniagas	174,220	108,580
La Rose	123,500	175,067
Silver Queen	125,683	94,885
Green Meehan	61,210	68,380
Foster	43,600	56,750
Kerr Lake		75,000
Cobalt Central		66,957
University	61,385	
McKinley-Darragh	60,000	
Cobalt Townsite	47,160	
Nova Scotia	....	30,000
Total lbs.	2,019,290	1,821,997

	March.	April.
Nipissing	565,801	
O'Brien	403,470	389,160
Buffalo	241,400	40,000
Trethewey	296,440	167,410
Coniagas	127,920	217,350
La Rose	65,000	
Green-Meehan		67,200
Cobalt Central	34,920	
Foster		
Kerr Lake		80,000
Cobalt Townsite	43,000	
McKinley-Darragh		
Red Rock	40,000	
Right of Way	3,800	
Totals lbs.	1,821,751	961,120

THE COMMERCIAL CENTRE.

A Montreal View of the Progress of Toronto in Manufactures.

Montreal, July 18.—Considerable interest has been aroused in Montreal banking and industrial circles by the announcement of Mr. John Firstbrooke, chairman of the Toronto branch of the Canadian Manufacturers', that "Toronto is rapidly becoming the commercial-centre of Canada." Coming from such an authority it is admitted by not a few of the leading business men here that there must be some warrant for the expression that Toronto will soon head the list as the commercial metropolis. On the other hand, many profess a mighty scorn for the alleged giant-strides of the Queen City, when contrasted with Montreal, these being of opinion that a natural and patriotic desire on the part of Mr. Firstbrooke led him to make the rather ambitious statement.

The consensus of opinion is, however, and especially among banking men, that Toronto is now a rival of no mean strength in the consumptive markets of the Dominion. A prominent manufacturer said to the writer, when discussing the relative growth of the two cities, "There is no doubt that Toronto has made extraordinary development during the last five years, and Montreal business houses and manufacturers will have to 'wake up' to the fact, sooner or later, if they would not have the commercial laurels wrested from them.

The figures published by the statistical branch of the Dominion Government early this month, were a revelation to Montrealers as to the actual development of the Toronto district as an industrial factor in the situation. It was seen that while the output of Toronto's manufacturers had, during the period of 1901 and 1906, increased from $58,-115,000 to $84,480,000, or 45 per cent. in the same time the value of manufactures produced in Montreal, increased from $71,099,000 to $99,747,000, or 40 per cent.

Although the difference extending over this period shows a gain of only 5 per cent. in favor of Toronto, with the advent of cheap electric power generated at Niagara Falls, and transmitted through the various municipalities in the Niagara peninsula, right through to Toronto, it is clearly recognized that the city will doubtless make much more rapid strides during the next five or ten years than can be made here under existing conditions. It is contended by many citizens that if Montreal is to maintain her commercial supremacy it is imperative that cheaper power be procured for manufacturers.

Other things being equal, it is natural that the city offering the cheapest power will be the most attractive to manufacturers who are considering a location for their plant. That Toronto enjoys equal, if not better, facilities of transportation, especially as regards internal trade of Canada, is self-evident to the most obstinate of Montrealers, from a consideration of the geographical position. This being the case, the question resolves itself into one of the cost of power in these two centres, and in this respect Toronto apparently has the advantage. It can with truth be said that Montreal ranks as the premier distributing centre, owing to her enormous export and import trade, but Mr. Firstbrooke's statement admittedly deals with the question of manufacturing and shipping facilities only.

A comparison of the rates fixed by the Hydro-Electric Commission for Toronto and adjoining districts, with those charged by the Montreal Light, Heat and Power Company, which has a practical monopoly in the sale of electric power for manufacturing purposes, shows that Montreal manufacturers are now compelled to pay about 130 per cent. more for their power than will their competitors in the sister city. The great advantage thus gained can readily be appreciated, and accounts in a great measure for the fact that many important industries have chosen that point as a base for their operations. While many experts say the Hydro-Electric rates are impracticable, the city of Toronto will undoubtedly be in a better position as regards the supply.

It is certainly appreciated here that not only is Toronto being benefitted to a great degree by the recently secured cheap power, but that the adjoining city of Hamilton has also come in for a large share of this patronage, and will prove more or less of a barrier to the development of Toronto in presenting its rival claims for the attention of intending manufacturers. The development of Hamilton for the past five years has been even on a greater scale than that of Toronto or Montreal, the increase being at the rate of nearly 50 per cent.

In the same five years' period the progress of Montreal's manufactures, in conjunction with the outlying districts of Maisonneuve, Ste. Cunegonde, St. Henri, and St. Louis, has been on a scale that has been entirely satisfactory to the people of this district, but the remarks of Mr. Firstbrooke have opened up a question of the development of the next few years, if the Ontario inducements are to continue so much more attractive than those in Montreal, from the point of view of cheap power.

It has of late been the subject of comment in this city that the large manufacturing firms in the United States, who have, during the past six months contemplated building subsidiary plants in this country, have not even considered the Montreal vicinity after the initial negotiations, and this in face of the fact that labor, on the whole, is very much cheaper here than in the Ontario centres of population.

FINANCE.

GOOD NATURE IN BANK CLERKS.

In banks in large cities, where there are tellers and clerks to transact all sorts of business, the good or ill nature of a teller or clerk has very little influence on the patrons of a bank; but in towns where one man transacts practically all business of the bank with its customers, it is a matter of great importance. The extremes are the austere, crabbed, quick-tempered clerk, who makes a customer feel that he must beg the most trifling favor, and the good-natured, easy-going clerk, who apparently cannot do too much for the customer.

Probably the ideal bank clerk is the golden mean between the two extremes, the man who can be hard-headed with those who seek to impose on the bank and agreeable to the reasonable customer. Such men are, however, scarce, and it may be worth while to consider which of the two extremes make the best bank clerk.

The teller who is dressed immaculately and who only recognizes a patron with a stately nod, and who severely reprimands the little boy who fails to ask for change in just the denominations he wishes, is often cordially detested by the patrons of the bank, and yet may not be such a bad representative of the bank after all. The crabbed, quick-tempered clerk, who keeps the customers at arms' length, saves the bank a lot of time and money. He never makes out deposit tickets for customers and takes no responsibility in any way.

The pleasant-faced, good-natured bank clerk makes everyone feel at home. Even the children like to run to the bank for change. He sympathizes with the merchant when business is dull, and takes the bank's time to explain the intricacies of a check or draft to the farmer who has one, perhaps for the first time. He makes out deposit tickets for ladies or children, and accepts bills however mixed, and is always ready to make change—Banker's Monthly.

OFFERING OF 5%—30-YEAR GOLD BONDS AT 92½, WITH STOCK BONUS OF 50% OF PAR VALUE OF BONDS

PORTO RICO RAILWAYS COMPANY, Limited

CAPITALIZATION.

	Authorized.	Issued.
Common Stock	$3,000,000	$2,800,000
5 per cent. Thirty-year Gold Bonds	3,000,000	2,300,000

(Par value $500 each. Due Nov. 1, 1936. Interest payable May 1 and Nov. 1 each year.)

BOARD OF DIRECTORS.

W. B. ROSS, K.C., President President Trinidad Electric Company; Vice-President Halifax Electric Tramway Co.; Director Dominion Coal Co.	Halifax.
ROBERT E. HARRIS, K.C., President Nova Scotia Steel and Coal Co.	Halifax.
J. G. WHITE, President J. G. White & Co., Engineers	New York.
S. J. MOORE, President Metropolitan Bank	Toronto
D. E. THOMSON, K.C., Director Canada Landed and National Investment Co.	Toronto.
W. K. McNAUGHT, M.P.P., President American Watch Case Co.	Toronto.
P. G. GOSSLER, Vice-President J. G. White Co.	New York
RAMON VALDES, President Bayamon Railway Co.	San Juan, Porto Rico
W. M. AITKEN, Vice-President Vice-President Montreal Trust & Deposit Co.; Director Trinidad Electric Co.	Montreal.

F. W. TEELE, Consulting Engineer.

Trustee and Transfer Agent:
Montreal Trust & Deposit Co., Montreal, Canada.

Counsel:
Messrs. Thomson, Tilley & Johnston, Toronto, Canada.
Messrs. Harris, Lovett, Henry & Stairs, Halifax, Canada.

Porto Rico was ceded to the United States in 1898 at the conclusion of the Spanish-American War, and is permanently a possession of the United States.

Since the American occupation the increase in the production of sugar, tobacco and fruits, the principal exports (except coffee, which is third in importance), has been very great, for the reason that these products go into the United States from Porto Rico free of duty, while all other countries have to pay heavy duties.

The altered position of the island, politically and commercially, has so stimulated trade that the total exports, which in 1901 were $8,583,962, have shown large gains each year, the amount in 1906 having been $23,257,530. The rate of development of the business of the island is further evidenced by the totals of imports, which in 1901 were $9,366,230, and in 1906 were $21,827,665. This rate of progress bids fair to continue with increased momentum, the climate and the fertility of the sail responding to better methods of cultivation which are being introduced.

The population of Porto Rico, according to the census of 1900, was 952,243, the island being said to have the third densest rural population in the world.

The Porto Rico Railways' Co., Limited, was formed in October, 1906, under a Canadian charter, and acquired all the

Electric Railway
Electric Light and
Water Power

business of San Juan, the capital and chief city of the island; Santurce, a populous suburb, and Rio Piedras, a town 7½ miles distant from San Juan. The water power, which is estimated to be sufficient for all the needs of the company, is now being developed at Comerio Falls on the La Plata River, 15 miles from San Juan.

An issue of $800,000 of bonds is now being made for an extension of 17½ miles from Rio Piedras through Trujillo-Alto to Caguas, the centre of a large and fertile valley, thickly cultivated, principally with sugar cane and tobacco, and with tobacco factories and sugar centrals in and tributary to it. This will be the only railway running into the interior from San Juan, and it must, from the nature of things, show heavy freight and passenger earnings.

An important contract has been made with the Porto Rican Leaf Tobacco Co., a subsidiary company of the American Tobacco Company, under which the Porto Rico Railways Co. hauls at remunerative rates all the freight of the tobacco company between Caguas and San Juan for a period of ten years.

The population along the line of railway is estimated at fully 100,000.

The Company's electric railway and electric lighting business has been in successful operation for years. Net earnings were $75,402,31 in 1905, and $99,154 in 1906, while results for the first five months of the present year indicate net earnings for 1907 of over $140,000. These earnings were produced by only $850,000 of the full bond issue of $2,300,000, as the proceeds of an issue of $650,000 of bonds made last October for developing the water power, double tracking, buying new cars, etc., and the proceeds of this issue of $800,000 have yet to be represented in earning power.

There is thus the unusual feature in an offering of bonds carrying a stock bonus that

The Present Rate of Net Earnings.

of the Porto Rico Railways Co. considerably exceeds the interest on the whole bond issue of $2,300,000, although the proceeds of nearly two-thirds of the whole bond issue are being spent so as to greatly increase both gross and net earnings.

Messrs. J. G. White & Co., of New York, constructing and operating engineers, have made a careful estimate of earnings and expenses of the entire system for the calendar year 1908, which shows net earnings sufficient to pay interest on the $2,300,000 of outstanding bonds, leaving a surplus of over 5 per cent. upon the $2,800,000 of outstanding stock. Prospects are favorable for large increases in net earnings year by year, as gross earnings are expected to expand steadily, and Messrs. White & Co.'s estimates are on the basis of 46½ per cent. operating rate—a high rate for operation by water power in a tropical country.

The company is well equipped for the successful management of its business, both through the special experience of a number of members of the Board of Directors and through the Consulting Engineer's intimate knowledge of West Indian conditions.

A LARGE PORTION OF THE ISSUE OF $800,000 OF BONDS HAVING BEEN SOLD, WE NOW, SUBJECT TO SALE, OFFER, IN CONJUNCTION WITH THE ROYAL SECURITIES CORPORATION, OF MONTREAL AND HALIFAX, AND MESSRS. J. C. MACKINTOSH & CO., OF HALIFAX, THE REMAINDER OF THE ISSUE AT 92½ (AT WHICH PRICE THE BONDS WILL YIELD 5½ PER CENT. UPON THE INVESTMENT), THE SUBSCRIPTIONS CARRYING STOCK BONUSES OF 50 PER CENT. OF THE PAR VALUE OF THE BONDS.

An arrangement has been made under which subscribers for other than even thousands may even up fractional shares, at the time subscriptions are made, by buying or selling on the basis of $30 per share.

Subscriptions are payable as follows; 12½ per cent. upon subscription, and 25 per cent. each on the Fist Days of September, October, November and December Next.

Bonds may be paid for in full on subscription, or on any installment date thereafter.

Applications will be made in due course to have the stock of the company listed on the Toronto and Montreal Stock Exchanges.

Subscription books may be closed at any time without notice.

The right is reserved to allot smaller amounts than applied for, and to reject subscriptions.

To insure allotments, out-of-town subscribers may telegraph subscriptions at our expense.

Prospectus and application forms furnished on request.

We regard an investment in the thirty-year 5 per cent. gold bonds of the Porto Rico Railways Company, Limited, at 92½, as safe and desirable in itself, in view of the considerable surplus earning power over bond interest, and particularly attractive in view of the bonds being accompanied with a bonus of 50 per cent. of their par value in stock, which should come into dividends within a comparatively short time. This statement is made after two visits to Porto Rico within the last year by a member of our firm, with directors and officers of the company.

A. E. AMES & CO., Limited,
TORONTO

DULUTH, RAINY LAKE and WINNIPEG RY. CO.,

5% BONDS

Full particulars gladly sent to anyone interested, on request.

DOMINION SECURITIES CORPORATION LIMITED 26 KING ST E TORONTO

INVESTMENTS

Commission orders Executed . . .

Special Reports on Securities furnished on request. . .

BAILLIE, WOOD & CROFT
Toronto, Canada
MEMBERS OF THE TORONTO STOCK EXCHANGE
42 King Street West

STATEMENTS

We are prepared to furnish reports on Investment Securities on request.

Requirements of Investors carefully considered by personal interview or correspondence.

Bonds and Stocks

Bought and Sold on Commission.

A. E. Ames & Co., LIMITED

7 & 9 King St. East, Toronto

R. MOAT & CO.

Stock Brokers

40 Hospital St. MONTREAL

W. R. MILLER JOHN H. WALLACE
Members Montreal Stock Exchange
D. C. S. MILLER

Telephone Main 3 and 4
Long Distance and Local

Cable Address: "Moat"

JOHN STARK & CO.

MEMBERS OF TORONTO STOCK EXCHANGE.

Stock Brokers and Investment Agents

Orders Executed in Toronto, Montreal and New York

FOR CASH OR ON MARGIN

26 TORONTO ST.

Correspondence Invited TORONTO

Ottawa Fire Insurance Company

Head Office, - - OTTAWA, CANADA

President, GEO. G. BURNETT
Vice-Pres., JOHN Y. ORMSBY
2nd Vice-Pres., CHARLES R. CLAPP

C. E. Corbold, Manager.

THE SOVEREIGN BANK of Canada

Notice is hereby given that a dividend of one and one-half per cent. (1½ p.c.) for the current quarter, being at the rate of six per cent. (6 p.c.) per annum on the Capital Stock of this Bank (to be reduced to Three Million Dollars) has been declared, and that the same will be payable on such reduced capital at the Head Office and at the Branches on and after Friday, the 16th day of August next.

The transfer books will be closed from the 1st to the 15th August, both days inclusive.

By order of the Board,
F. G. JEMMETT,
General Manager.
Toronto, July 2nd, 1907.

Town of Yorkton, Sask.

Sealed tenders addressed to the undersigned and marked "Tender for Debentures" will be received up till noon, the third day of September 1907, for the following issues—

$45.000 40 years 5 per cent. Waterworks
$15.000 40 years 5 per cent. Sewerage Disposal
$10,000 20 years 5 per cent Controlling Interest in Yorkton, N-W., Electric Co.

R. H. Lock, Secretary-Treasurer, Yorkton, Sask.

The man who spends all his time talking about what he has done has none too much left for anything else.

ELECTRIC RAILWAY BONDS

In amounts of $500, yielding 5½%.
Bonus of 50% of stock.

Write for Information to

Warden & Francis
Toronto

CAPITAL AND CIRCULATION

THE DEMANDS OF THE LATTER ARE NOT NECESSITOUS

Of an Increase in Capital—The Margin is Still Large—Except at Crop-Moving Periods—No Need of Tinkering with Our Currency.

Our southern neighbors are beginning already to take stock, somewhat anxiously, of the currency requirements of the coming fall. Across the border gold, and Government notes based on gold, must do double work; they are required to provide the cash reserve against banking liabilities and to provide a large part of the circulating medium besides. In Canada they are mainly used for the first named purpose—their use as a circulating medium is confined to the Dominion Government "ones" and "twos" that are required for small change. We make a cheaper instrument, the "promise to pay" of the banks, do service as circulating medium, and find it vastly more convenient. Also, we accept our currency system as being absolutely sound and safe. However, our superior currency system has not prevented us from suffering, in common with the rest of the civilized world, some distress from the monetary stringency. What ails the world is a shortage of capital. The cash required for use as circulating medium, or currency, represents only one part of the demands on capital, though it is a very important part in some countries. So long as the Canadian banks are able to supply the demand for circulating medium through issues of their notes the demand on Canada's store of capital for currency purposes can be kept at a minimum.

A few years ago there was some doubt as to whether the paid-up capital of the banks would increase fast enough to keep the authorized limit of the bank note issues comfortably ahead of the maximum amount actually in circulation. Judging from the course of the banking capital accounts in the last year or so, and from the action taken at recent annual meetings, there need be no anxiety on that score for several years to come.

It will be worth while to trace the growth of the two items, paid-up capital and note circulation, in the last few years, and to investigate the ability of the banks to provide this fall the required amount of currency without having to resort to special devices. It is well known that the note circulations are shown at the maximum on 31st October each year. At the end of January the extra issues for crop moving purposes are cleared away. Then from the 31st May begins the summer expansion, which does not cease, usually, till the 31st October. It will suffice to take the figures as they are at these crises, or turning points, in each year.

	Capital paid.	Note circulation.	Margin.
1904—January 31	$78,625,589	$56,973,273	$21,652,316
May 31	78,801,319	57,857,174	20,944,145
October 31	79,747,011	72,226,306	7,520,705
1905—January 31	80,378,420	58,021,075	22,357,345
May 31	81,792,536	58,136,070	23,656,466
October 31	83,864,828	76,890,863	6,973,965
1906—January 31	85,802,587	60,986,610	24,815,977
May 31	90,006,340	64,217,332	25,789,008
October 31	94,343,742	83,718,630	10,625,112
1907—January 31	96,051,689	68,219,717	27,831,972
May 31	96,167,889	70,741,113	25,426,776

Note Circulation.

	Expansion May-Oct.	Contraction Oct.-Jan.
1904	$14,369,132	$14,205,231
1905	18,754,793	15,904,253
1906	19,501,298	15,498,913

Comparative Increases.

	Increase max. circulation.	Increase paid-up capital.
1905	$4,664,556	$4,117,817
1906	6,827,767	8,478,914
1907*	....	1,824,147

*To date, May 31. From this should be deducted $1,000,000, as reduction of that amount in Sovereign Bank capital did not appear in the bank statement for 31st May.

With regard to the first table, it should be observed that on 31st October in each year the actual margin would be greater than the figures shown, because a number of the banks whose note circulations press right upon their authorized limits, follow the practice of buying circulation from other banks having a supply available. The notes they secure, or a part of them, are carried in their vaults, and in the tills ready to issue. Though held in this way, available for issue, they would, nevertheless, appear as outstanding circulation of the banks whose names they bore. One effect of this practice is to swell the item "notes of and cheques on other banks." This item stands near the highest point on 31st October every year.

Notes of and Cheques on Other Banks.

1904—31	January	$14,280,768
31	May	18,624,100
31	October	25,357,557
1905—31	January	21,067,517
31	May	21,546,750
31	October	27,578,519
1906—31	January	23,044,834
31	May	24,337,655
31	October	32,036,719
1907—31	January	27,483,645
31	May	30,649,668

Then, as to the expansion from 31st May, in no year has it amounted to as much as $20,000,000. This year it may exceed that sum. But the margin at the end of May was over $24,000,000, allowing for the capital reduction of the Sovereign Bank. And it is certain that between now and the 31st October paid-up capital will score a further considerable increase. It is noteworthy in this connection that three important banks have lately got authority to increase their capitals from four or five millions to ten millions each.

In explanation of the table of comparative increases it should be said that the increases in maximum circulation in 1905 and 1906 were found by taking the circulation at 31st October and computing the increase from the same date in the previous year. The increase in paid-up capitals shown in the same table is the increase scored in the same term —31st October to 31st October.

Of course, the banks could hardly be expected to go on increasing their capital merely for the sake of being authorized to issue a few more notes at crop-moving time, which would come back for redemption in the course of thret months at the outside. They are increasing capitals with confidence, because they expect that they will have no trouble in finding permanent, profitable employment for the new money their stockholders are contributing. In this respect few probably are anticipating any change in the next few years.

H. M. P. ECKARDT.

Cable Address, "OSLER."

Osler & Hammond

Stock Brokers and Financial Agents

MEMBERS
TORONTO STOCK EXCHANGE

21 Jordan Street - - TORONTO

Osler, Hammond & Nanton

Stock Brokers

Corner Main and McDermid Streets
WINNIPEG, MAN.

BUY AND SELL ON COMMISSION
STOCKS AND BONDS
ON TORONTO, MONTREAL, NEW YORK AND LONDON EXCHANGES

SIR HENRY MILL PELLATT NORMAN MACRAE
REGINALD PELLATT

Pellatt & Pellatt

STOCK BROKERS and FINANCIAL AGENTS

Traders' Bank Bldg. Toronto

Toronto, Montreal and New York Stocks and Bonds Bought and Sold for Cash or on Margin; also Execute Orders in Grain and Provisions on the Chicago Board of Trade.

Agents in Edinburgh and London

MEMBERS OF THE TORONTO STOCK EXCHANGE

Cable Address "PELLATT"

Cable Address, Ostran
Telephone, M. 7445
" M. 7446

H. C. OSBORNE
G. L. FRANCIS
J. E. OSBORNE

OSBORNE & FRANCIS

Members Toronto Stock Exchange

52-54 King St. W.,

TORONTO. - - CANADA

Stock Brokers,
Railroad and Corporation Bonds,
Municipal Debentures.

Cable Address—Cassels, Toronto

W. GIBSON CASSELS R. S. CASSELS

CASSELS, SON & CO.

Members Toronto Stock Exchange.

STOCK BROKERS AND FINANCIAL AGENTS

Direct connections with all Canadian and American Exchanges.

CANADA LIFE BUILDING

TELEPHONE MAIN 213 Toronto, Canada.

The West and the Railways

THE COMMISSION HEARS COMPLAINTS IN WINNIPEG.

The Question of Reciprocal Demurrage—The Delay in Supplying Cars — Chief Justice Killam's Dictum — Bad Weather for Manitoba Crops — A Very Poor Crop in Manitoba—Saskatchewan Only Fair — Farmers Ploughing Up Fields in Southern Manitoba.

Winnipeg, July 15.—The Railway Commission sat in Winnipeg last week and several important and burning questions have been discussed. There have been numerous complaints from the wholesale firms of delays in the shipment of goods and Mayor Ashdown brought many instances before the commission where merchants had lost the sale of goods and had been obliged to carry them over to another season through cars being delayed. There also appears to have been a great deal of time lost in placing cars on the proper sidings after their arrival in Winnipeg. The period of time in the case of one particular company ran 3 to 4, 5, 6, 7, 11, 20, 21, 12, 9, 24, 11, 17 and 10 days on 92 cars between the time of their arrival and their delivery at the siding. This makes the average per car on this firm's business 6 1-5 days, while the distance from the C.P.R. yards to the siding would be only about three miles. The Winnipeg merchants and Board of Trade urge that there should be some recourse against the railways for these delays. They claim that there should be special officials appointed to look after the moving of cars from the yards to the different sidings.

The grain interests have also been before the commission asking for reciprocal demurrage. They want laws passed to make the railroads pay shippers demurrage when they are unable to furnish cars just as now the railroads charge one dollar per day per car when there is delay in loading. At the present time if a farmer orders a car and does not complete loading it within 24 hours he has to pay this penalty; therefore why should not he be able to recover something when he is kept waiting for cars not only a day or two, but often several months? The argument of the public is that the railways at present do not use all the cars and equipment they have because they dislike drawing cars empty, and that they keep the country waiting till such time as they can supply their needs with the least possible cost. It was argued that during the past winter there was not a single empty at Fort William at a time when there were 400 empties in the Winnipeg yards simply because the railroads did not want to move cars empty but preferred to wait till they could distribute them filled with freight.

The Regina Board of Trade was also represented before the commission but did not go so far as the Winnipeg one on the reciprocal demurrage question. Mr. Laird, who represented them, said he thought the whole subject needed further investigation before proposing such a drastic change.

After hearing all the complaints, the officials and solicitors for the two railways were given an opportunity to defend themselves. They did so by pointing out the severity of the last winter which had made it impossible for them to use all their rolling stock. They also stated that they had been unable to get a sufficient staff of skilled men and that without them increased equipment would be of no use whatever. The Canadian Pacific also claimed that the double-tracking between Winnipeg and Fort William had been responsible for much of the blockade on their line. This would be completed within twelve months and then they would be able to give a much improved service.

Judge Killam, the chairman of the commission, made a statement after the hearing of both sides that in the opinion of the commission, "the railway companies had not in the past been alive to their responsibilities to supply adequate equipment. While the question of reciprocal demurrage would have to be taken into consideration, the commission were not prepared at the present time to meet the demand for it which had been urged on them from all quarters. No doubt if the railway companies did not realize their responsibilities at an early date some such legislation would be necessary."

We are in entire agreement with this statement. It would be unfair to saddle the railways with reciprocal demurrage. The business of the country has grown enormously, the winter was extraordinarily severe, and the companies could not be expected to haul the whole of last year's grain crop in two or three months. As a matter of fact, the farmers would suffer if they were able to do so, for the price realized would be much lower if the whole crop of the Northwest were dumped on to the world's market in one or two months. The railways fell down badly last year, but they realize this as fully as anyone else and they should be given a chance to retrieve themselves before passing any drastic legislation.

The Railway Commission submitted this week their decision regarding the Grand Trunk Pacific route. The original route has been slightly changed and the line will now run parallel to the Canadian Northern, but will pass the end of the Agricultural Farm, instead of cutting right through it as was the wish of the railway company. This decision is a compromise, neither the city nor the Grand Trunk having obtained all that they desired.

We regret to have to report that the past week has seen a continuance of the dry weather in Manitoba. It has been exceedingly hot, and practically no moisture has fallen. This makes it certain that the wheat crop will be a very poor one in Southern and Eastern Manitoba. Many farmers are ploughing up their wheat, saying that it will not pay to cut it. Along the line from Winnipeg to Souris there cannot now be a crop of over ten bushels to the acre, and a good many put it at five bushels to the acre if rain does not come immediately. In other parts of Manitoba things are better, but nowhere will there be over an average crop, so that taking the whole province it is not likely to go over ten bushels to the acre and may go considerably less.

In Saskatchewan there has been plenty of rain and farmers are far more hopehfl. In a few spots there has been too much rain and the fields have been drowned out. The weather of the past week has been just what is required for Sasketchewan, for the crop being so late does not need more moisture, but wants hot dry weather to bring it along fast and prevent too big a growth of straw. One of the large elevator companies have had their traveler touring through most of Manitoba and Saskatchewan during the past ten days, and on his return to the city to-day, they wired their eastern correspondents as follows: "Traveler just returned from country, reports crop Manitoba poor, Saskatchewan only fair." This seems to us a correct estimate. The conditions in Saskatchewan are so late that we can only look for a fair crop. A good deal of it is bound to be caught by frost.

The bricklayers' strike still continues and several millions dollars worth of work is tied up. The action of the men is much to be regretted, especially at a time when building is less than usual and when crop prospects are none too bright. The contractors are in a good position, as they foresaw the strike and made provision for it in all their contracts. They are almost certain to beat the union on this occasion.

Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve Funds Profit and Loss	Last Dividend		STOCK	Range for year 1906		Range for 5 months, 1907				Closing one year ago, July 19.		Friday, July 19.		Range for week ending July 18, in market of activity				
					Date	Per cent.		High	Low.	High	Date	Low	Date	Ask	Bid	Ask	Bid	First	High	Low	Last	Sales
							BANKS															
50	10,000,000	....	....	5,000,000	1st June q.	2	Commerce	190½	169½	180	Jan.	170	May	174½	....	....	170¾	171	171¼	170¾	171	29
50	3,633,070	....	....	4,596,377	1st July q.	3	Dominion	283	262½	267	Jan.	237	Mar.	270	....	234	232	234	°234	233	233	68
100	2,470,210	....	....	2,470,210	1st June q.	2½	Hamilton	233	210	217	Jan.	204	April	227	....	....	200	....	....	....	....	....
100	4,804,551	....	....	4,804,550	1st May q.	2¾	Imperial	254½	225	230	Jan.	217	Mar.	240	†236	223	217¼	220	221	°220	221	55
100	6,000,000	....	....	4,000,000	1st June q.	2	Merchants	176	160½	170	Jan.	159	May	170	168	....	161	161	161	161	161	27
100	1,000,000	....	....	1,000,000	1st July q.	2	Metropolitan	202⅜	192	192½	Mar.	192	Mar.	201½	200½	193	....	....	....	....	....	....
100	3,277,620	....	....	3,277,620	1st July q.	2½	Molsons	230	204½	215½	Jan.	200	May	230	226	208	....	202	205	°202	205	28
100	14,400,000	....	....	11,000,000	1st June q.	2½	Montreal	261	252¼	257	Jan.	243½	May	257½	255	248	246	249	249	248	248	59
100	3,000,000	....	....	5,250,000	1st July q.	3	Nova Scotia	297½	273	293	Jan.	286	May	....	274	283	....	281	281	281	281	3
100	3,000,000	....	....	3,000,000	1st June q.	2½	Ottawa	233	222	226¾	Feb.	220	Mar.	229	228	220	....	....	....	....	....	....
100	2,500,000	....	....	1,250,000	1st June q.	1¾	Quebec	145	139½	145	Mar.	134	May	145	143	....	....	130	°130	130	130	2
100	3,900,000	....	....	4,390,000	1st July q.	2½	Royal	247½	222	242	Jan.	234¼	May	240	234	233	....	232½	232½	232½	232½	50
100	3,000,000	....	....	....	16th May q.	1½	Sovereign	155¼	133	....		....		139	....	....	....	114	°114	114	114	9
50	1,540,420	....	....	1,640,420	1st June q.	3	Standard	250¼	223	230¼	Feb.	220	April	....	....	....	215	216	216¼	215½	216¼	69
100	3,986,820	....	....	4,486,820	1st June q.	2½	Toronto	251	222	235¼	Jan.	*215½	May	237	230	....	....	217	°217	216⅜	216⅜	19
100	4,350,490	....	....	1,900,000	1st July q.	1¾	Traders	155	138½	140	Jan.	135	May	....	140	133	130	....	....	....	....	....
100	3,000,000	....	....	1,600,000	1st June s.	3½	Union	158	143¼	152	Jan.	143½	May	....	152	140	....	....	....	....	....	....
							TRANSPORTATION															
100	121,680,000	42,720,000	101,519,411	....	1st July s.	3½	Canadian Pacific Railway	201	155¾	195⅛	Jan.	*156½	Mar.	160	159	178	177¼	174¼	176⅞	174¼	176½	525
100	12,500,000	....	21,162,000	1,546,272	1st May q.	1¼	Detroit United	102	79¼	84½	Jan.	65	Mar.	91½	*90½	67½	67¼	66⅞	67¼	65¾	67	256
100	12,000,000	10,000,000	20,000,000	....	....		Duluth	21	16¾	14	May	14	May	....	....	....	....	13	13	13	13	50
100	1,350,000	....	600,000	252,053	1st July q.	1½	Halifax Electric	108	100	104½	Jan.	*94	Mar.	106	102	100	97	....	....	....	....	....
100	7,500,000	....	8,311,561	....	....		Havana Electric	50	35	45¼	Feb.	40	Mar.	47½	46	....	....	....	....	....	....	....
100	....	5,000,000	....	....	15th July q.	1	Havana Electric, preferred	97⅞	79	86	Jan.	70	April	....	87	....	....	75	75	73	73	110
100	6,395,500	3,274,300	20,030,500	....	1st July q.	1½	Illinois Traction, preferred	101½	88½	94¼	Feb.	*85	Mar.	95	92½	85	83½	83	°84	83	83	73
100	14,000,000	7,000,000	51,865,000	....	15th July s.	2	Minn., St. P. and Sault Ste. Marie	....	....	136¾	Jan.	91	May	....	....	109	107	104	108¾	104	108½	125
100	9,000,000	....	2,473,333	524,770	1st May q.	2½	Montreal Street	284	211	239	Jan.	202	Mar.	277	*274	207	206¼	204½	°205	204	205	53
100	840,000	....	....	87,100	19th Jan. a.	6+1½	Northern Navigation	110¼	80½	104	Jan.	89	Mar.	98	95½	95	....	....	....	....	....	....
100	7,938,900	....	10,385,000	....	15th June q.	½	Northern Ohio Traction	33¼	27	30⅝	Jan.	26	April	31	29½	....	....	....	....	....	....	....
100	3,132,000	....	323,146	362,500	1st June q.	1¼	Richelieu and Ontario	88¼	69¾	82⅞	Jan.	70	Mar.	82	81½	68	67	66	66½	65⅝	66½	89
100	21,993,900	....	23,284,000	....	....		Rio de Janeiro	48	38½	48¼	Jan.	38⅞	Mar.	46	45	46½	46⅛	46½	46⅝	45⅞	46¼	929
100	563,300	....	....	115,996	1st Jan. a.	10	St. Lawrence & Chi. Steam Nav. Co.	148	120	125	Jan.	120	April	138	135	125	....	124½	124½	123	124½	66
100	8,026,637	....	6,000,000	1,785,718	1st July q.	2	Sao Paulo	146	125	138½	Jan.	117⅞	Mar.	136	135¼	....	....	116	118¾	°116	117	347
100	12,000,000	....	10,866,000	....	2nd May s.	1	Toledo Railway	36¼	25	29½	Jan.	23¾	Mar.	34	32	25½	25	25	25	25	25	80
100	8,000,000	....	3,613,373	2,130,708	1st uly q.	1½	Toronto Railway	126	112	115½	Jan.	*100	Mar.	115	114	101	100	102	103	102	102	544
100	9,000,000	2,600,000	6,993,000	....	1st uly q.	1½	Tri-City. preferred	95	88½	90½	Jan.	85⅞	April	....	....	....	....	82½	82½	82½	82½	70
100	1,164,000	....	720,000	124,781	10th July q.	1¼	Trinidad Electric	92	80	78½	April	70	April	....	84½	....	....	....	....	....	....	....
100	20,100,000	3,000,000	16,546,000	1,281,348	15th May q.	1¼	Twin City	122¼	102½	108½	Jan.	87¾	Mar.	112¼	112	95	92½	94¼	94¼	°93	93	255
100	4,500,000	....	5,000,000	908,688	1st July q.	2	Winnipeg Electric	190	160	186	Feb.	175	Feb.	185	....	170	....	....	....	....	....	....
							TELEGRAPH, LIGHT AND POWER															
100	10,625,000	....	3,363,000	3,849,846	15th April q.	2	Bell Telephone	158¾	145	145	Jan.	†125	Mar.	153	151	....	131	131	131	131	131	9
50	2,500,000	....	....	2,004,149	1st May q.	2½	Consumers Gas	209	200	206	Jan.	196	May	204	*202	....	198	197	198	197	198	127
100	41,380,400	....	....	....	1st July q.	1	Mackay, common	77⅛	57⅞	75⅛	Jan.	63¾	Mar.	71⅝	71¼	69	68⅞	67	70¾	67	68¾	1,497
100	....	50,000,000	....	727,547	1st July q.	1	Mackay, preferred	76⅛	68	71½	Jan.	66	Mar.	72½	71	66½	65¾	66¼	66¾	66	66½	242
100	13,585,000	....	12,000,000	1,050,428	....		Mexican Light and Power Co.	70	47½	57½	Feb.	45¼	April	57	56¾	....	45¼	44	45	44	44⅞	530
100	17,000,000	....	8,464,000	1,201,158	15th May q.	1¼	Montreal Power	99½	86	94⅞	Jan.	81¾	Mar.	97¼	97	96¼	96⅛	92½	94¾	92	94¾	3,275
100	2,997,900	....	1,000,000	518,057	1st July q.	2	Toronto Electric Light	171	152	160	Jan.	142	Mar.	....	154¾	150	....	....	....	....	....	....
							INDUSTRIALS AND MISCELLANEOUS															
100	4,700,000	300,000	....	1,969,354	1st July q.	2½	Canadian General Electric	155	130	136½	Jan.	120½	Mar.	142	....	120½	119	°115½	°121	115	119½	229
100	20,000,000	5,000,000	9,642,000	....	....		Dominion Steel, common	34¼	20½	25	Jan.	16¾	Jan.	26	25½	21⅞	21¾	21	21¾	20⅞	21½	52
100	5,000,000	....	....	....	....		Dominion Steel, preferred	83½	60	66½	Jan.	48½	Mar.	77	75	49⅝	49¾	48	48½	48	48½	75
100	15,000,000	....	5,612,164	1,825,940	1st July q.	1	Dominion Coal	84½	58	70¾	Mar.	57	April	79	76	57	56⅞	56½	57	56¼	57	390
100	....	3,000,000	....	....	1st Feb. s.	3½	Dominion Coal, preferred	122	112	112	Feb.	106	May	....	....	....	....	109	109	109	109	25
100	5,000,000	1,854,397	7,337,160	1,394,000	....		Dominion Textile, common	....	....	....		....		....	....	....	....	45	45	45	45	100
100	5,000,000	1,854,397	7,337,160	1,394,000	15th April q.	1¾	Dominion Textile,, preferred	109¾	95¼	*99	Jan.	88	May	102	99½	88	87¼	86	°88	86	88	87
100	2,000,000	....	1,000,000	528,003	20th April s.	3	Lake of Woods Milling	100	89	90	Feb.	75	Mar.	90	....	72⅝	70	72½	72½	72½	72½	10
100	....	1,500,000	....	....	11th June q.	1¾	Lake of Woods Milling, preferred	115	108	112	Feb.	*106¾	Feb.	77	75	110	105	....	....	....	....	....
100	700,000	....	....	227,417	8th Jan. bal.	4½	Montreal Steel	114	97	98½	Feb.	96	April	107	....	....	....	....	....	....	....	....
100	....	800,000	....	....	8th Apr. q.	1¾	Montreal Steel, preferred	115	106	106	May	105	Feb.	113	....	....	....	....	....	....	....	....
5	6,000,000	....	....	15,577	20th Apr. q.	3	a Nipissing Mines Co.	....	....	15	Jan.	11	Mar.	....	....	11	10	10½	10½	10¼	10½	60
100	4,987,600	....	3,752,000	2,617,051	15th April q.	1½	Nova Scotia Steel, common	74½	60	79	Feb.	68	Jan.	67	65	68	66¾	66	68	66	67¾	167
100	....	1,030,000	....	....	15th April q.	2	Nova Scotia Steel, preferred	125	118	*120	Jan	112	April	....	....	....	....	111	111	111	111	25
100	1,250,000	....	1,000,000	1,209,370	Sept. a.	7	Ogilvie Flour	....	....	....		....		....	....	....	....	....	....	....	....	....
100	....	2,000,000	....	....	1st June q.	1¾	Ogilvie Flour, preferred	130	123	121	Feb.	111	April	130	124	....	....	115	115	114	114	60

*Ex-div. †Ex-allotment a—Quotations per $5 share. ° Less than ten shares.

Inactive Stocks

Par Value	Common Stock Outstanding	Bonds, Preferred Stock or Deben'res Outstanding	Reserve and Contingent.	Last Dividend		STOCK	Range for year 1906		Latest price		Last Sale
				Date	Per cent.		High	Low	Ask	Bid	
						BANKS					
243	4,866,666	....	2,238,666	4th Apr.	3+1	British North America	146⅛	141	155	....	154¾
100	2,948,130	....	1,860,000	1st July q.	2	Eastern Townships	163¼	160	163	160	162
100	2,464,070	....	1,600,000	1st June q.	2	Hochelaga	163	†144	....	....	147
30	1,789,884	....	750,000	1st June q.	1¾	Nationale	124	121	....	....	120
100	709,300	....	1,195,295	1st July q.	3	New Brunswick	....	....	275	....	272
						LOAN AND TRUST					
50	630,200	1,032,603	283,000	2nd July s.	3	Agricultural Loan	....	....	....	123	122
100	1,004,000	3,138,798	515,000	2nd July s.	3½	Canada Landed	125	117½	123	121	121
10	6,000,000	13,857,807	2,450,000	1st July s.	3	Canada Permanent	131	124	....	120½	120
100	1,500,000	4,673,890	1,050,000	1st July q.	2	Central Canada	172	160	....	160	165
10	2,398,701	p 2,456,900 d 147,413	119,808	1st July s.	3	Col. Investment, preferred	89	75	70	....	70
50	934,617	394,045	107,590	30th June s.	2	Dominion Savings	73	70	....	71	71
100	1,100,000	1,671,417	504,080	2nd July s.	3	Hamilton Provident	124	120	120	....	120
50	1,900,000	5,271,479	1,600,000	2nd July s.	4½	Huron and Erie	188½	183	....	....	183
100	735,481	547,746	78,720	2nd July s.	2½	Imperial Loan	70	70	....	....	70
100	700,000	1,005,434	310,000	2nd July s.	3	Landed Banking	125	121	....	121	124
50	1,000,000	2,243,355	264,310	2nd July s.	3	London and Canadian Loan	111¼	105	106	....	104
50	686,891	518,919	134,000	1st July s.	3	London Loan and Savings	....	....	....	....	119
25	500,000	....	438,096	15th Mar. s.	3½ plus ½	Montreal Loan	138	*133¼	....	....	133
£10	£150,000	£598,225	£145,000	5 s.	plus 2½	North of Scotland	....	....	....	....	
100	1,000,,000	....	450,000	2nd July	1¾	National Trust	157	155	....	157	158
50	1,200000	1,594,326	685,000	2nd July s.	3¼	Ontario Loan and Debenture	140	128¼	....	130	130½
40	373,720	119,260	82,500	2nd July s.	2½ plus ½	Real Estate Loan	90	85	....	....	87
100	1,000,000	....	375,000	2nd July s.	3¾	Toronto General Trusts	160	140	150	....	*140

Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend		STOCK	Range for year 1906		Latest price		Last Sale
				Date	Per cent.		High	Low	Ask	Bid	
50	724,550	1,274,108	305,000	2nd July s.	3	Toronto Mortgage Co	115½	105½	112	....	109½
100	1,000,000	1,105,536	580,000	1st July q.	1½	Toronto Savings	....	....	....	....	126
						OTHER COMPANIES					
25	850,000	550,000	....	3 °/₀ passed		British America Assurance	98	97	....	....	97
100	1,511,400	1,270,000	....	3½ for 6 mos Nov. 20, '05		British Columbia Packers, pfd	80½	59¾	....	....	°75
100	2,700,000	b 2,000,000	....	15 June	1	Canada Col. Cotton	60	45	....	....	53¼
400	1,000,000	....	44,865	1st July	4	Canada Life Assurance	163	163	....	....	155
100	3,000,000	....	....	July q	1	Canadian Converters, Limited	60	60	....	....	57½
100	500,000	....	46,333	1st July q.	2	Canadian Salt	110¼	*108	....	....	108
12½	733,841	....	....	a		Canada North-West Land	500	400	....	....	435
100	565,000	....	30,000	....		City Dairy	38	21½	37	....	35
100	346,350	....	....	2nd July	1¾	City Dairy, preferred	94¼	*82¼	90	....	°89
100	100,000	....	....	1st July s.	7½	Confederation Life Association	285	272½	....	....	285
50	1,000,000	....	....	15th July q.	1½	Dominion Telegraph	121	*119	120	....	118
100	1,700,000	2,895,700	....	15th July s.	2¾	Hamilton Electric Power, pfd	....	....	....	....	....
100	450,000	....	....	1st July q.	1¼	Imperial Life Assurance	149	149	....	....	150
100	500,000	b 344,000	90,474	Mch. s.	3½	Intercolonial Coal	90	84	....	....	85
100	....	219,700	....	Mch. s.	3	Intercolonial Coal, preferred	....	....	....	....	100¼
100	1,600,000	b 1,200,000	....	1st Feb. s.	3	Laurentide Paper	107½	89½	....	....	88
100	....	1,200,000	....	1st July q.	1¾	Laurentide Paper, preferred	114¾	100½	105	101	°106
100	404,610	b 102,083	75,000	1st June s.	3	London Electric	95	89¾	....	....	89¾
40	531,792	b 500,000	....	30th June s.	3¾	London Street	97¼	97¼	....	....	97¼
100	3,000,000	b 350,000	....	15th June q.	1¾	Montreal Cotton	135	122	....	....	125
40	2,000,000	....	98,098	15th July q.	2	Montreal Telegraph	171	162	....	....	158
100	701,700	b 111,000	123,953	2nd July s.	4	Niagara Navigation	133½	117	118	....	*117
100	925,000	b 819,000	....	....		Niagara, St. Cath. and Toronto	80	75	....	75	80
100	998,200	500,000	230,564	2nd July q.	2½	Ottawa Electric Railway	....	....	....	....	....
20	1,500,000	1,000,000	....	passed		Western Assurance	98	96	....	....	96
100	600,000	b 1,100,000	....	July s.	4 plus 1	Windsor Hotel	105	100	....	....	107½

NOTE.—s means semi-annually ; q.—quarterly ; plus indicates bonus ; b. means bonds. p.—Preferred stock. d.—Debentures. o.—Less than ten shares. a.—$12.50 per share return of capital payable March 15, 1907.

BANK NOTES.

The Sovereign Bank has closed its New York branch in pursuance of the policy of economy in operation which has been put into effect by the new executive. The bank's New York business will in future be transacted through the National Bank of Commerce, which has been its active agent.

The Home Bank of Canada is advertising its by-law authorizing the increase in its capital from $1,000,000 to $2,000,000.

The Royal Bank is opening a branch at Regina.

The half yearly report of the Bank of New South Wales reflects the general growth of commercial conditions in that part of the world. The bank's deposits have increased over the previous half year $4,300,000 and cash holdings have jumped $2,530,000. Loans and discounts show an expansion of $4,500,000, which is fairly spread over the whole of the bank's colonial business.

In his address to the stockholders, President, the Hon. C. K. Mackellar said that the past year had been a very good one. Trade generally had expanded throughout Australia. The winter season had set in under very favorable conditions. Good reports were to hand as to condition of crops and live stock in Queensland, the northern part of New South Wales and New Zealand.

It is proposed to increase the capital of the bank from $10,000,000 to an amount to be determined by the stockholders.

One of the many sane signs of the times, looking toward regulating and controlling the evils which have crept into the banking world as a result of the mad race for the almighty dollar, is the clearing house examination adopted by Chicago, and under which Minneapolis is now operating.

A Minneapolis banker says: "As a result of the Walsh failure in Chicago, the Clearing House Association of that city employed an expert examiner, together with assistants, whose duty it should be to examine the banks of that association, together with any bank clearing through a member of the association, which practically includes every bank in Chicago. The moral effect was at once felt in the absconding of Stensland, president of the Milwaukee Avenue State Bank, who knew what the effect of such an examination would be.

"Every thief and crook is a coward, and they won't stay around when they know someone with authority is looking for them with 'the big stick.' The plan is working admirably in Chicago, and since its adoption in Minneapolis, in February, it has proven its merit. An ounce of prevention is worth a pound of cure, and the clearing house of Minneapolis has said by this action that no bank can exist in that city that does not conduct its business along legitimate banking lines."

THE BOND MARKET

Week Ending July 19th, 1907.

BONDS	Rate	Closing		Sales Week July 18
		Asked	Bid	$
Bell Telephone Co.	5	....	....	....
Can. Colored Cotton Mills Co.	6	....	....	....
Commercial Cable Co.	4	....	....	....
Dominion Coal Co.	5	....	....	3,000
Dominion Cotton Mills Co.	6	95	93	8,500
Dominion Iron & Sreel Co.	5	75	74	12,000
Dominion Textile Co., Series A.	6	91	87	....
Do. Do. Series B.	6	90	88	....
Do. Do. Series C.	6	91	87	2,000
Do. Do. Series D.	6	90	88	....
Electrical Development Co.	5	....	....	....
Halifax Electric Tramway Co.	5	....	....	....
Havana Electric Railway Co.	5	....	....	....
Intercolonial Coal Co.	5	....	....	....
Keewatin Flour Mills	6	....	....	5,000
Lake of the Woods Milling Co.	6	....	100	1,000
Laurentide Paper Co.	6	....	104	20,000
Magdalen Islands	6	....	....	....
Mexican Electric Light Co.	5	....	75	2,000
Mexican Light & Power Co.	5	82½	82	29,500
Montreal Light, Heat & Power Co.	4½	....	....	....
Montreal Street Railway Co.	4½	....	....	1,000
Nova Scotia Steel & Coal Co. 1st Mtg.	6	....	104	....
Do. Do. Cons. Mtg.	6	....	99	6,500
Ogilvie Flour Mills Co.	6	....	....	....
Price Bros. Co.	6	....	....	....
Rio de Janeiro Tramway, L. & P. Co.	5	75	74½	56,500
St. John Railway	5	....	....	....
Sao Paulo Tramway L. & P. Co.	5	95	92½	7,000
Winnipeg Elec. Street R'y. Co.	5	....	....	....
Montreal City, Stock	7	....	....	....
Montreal City, Stock	4	....	....	....

CURB QUOTATIONS.

Week Ending July 19th, 1907.

NAME	Stock Issued.	Acreage.	Week ending July 18.			Closing bid July 19
			High	Low	Sales	
Abitibi & Cobalt Mining Co.	....	....	.09½	.09	3,000	.09
Beaver Consolidated Mines	1,000,000	20	....	....	....	....
Buffalo Mines Co.	900,000	40	....	....	....	....
Cobalt Lake Mining Co.	3,930,866	....	.19½	.17½	4,200	.16
Cobalt Silver Queen	1,500,000	58	....	....	....	....
Cleveland Cobalt Silver Mines	1,000,000	114	....	....	....	....
Coniagas	4,000,000	40	3.60	3.60	270	....
Foster Cobalt Mining Co.	1,000,000	40	.80	.67	30,830	.71
Green-Meehan Mining Co.	1,500,000	40	.39½	.39½	500	....
Kerr Lake Mining Co.	3,000,000	52	....	....	....	3.50
McKinley-Darragh-Savage Mines	2,000,000	120	....	....	....	....
Nova Scotia Silver Cobalt M. Co.	1,800,000	....	.20	.18½	2,250	.19
Peterson Lake	2,500,000	225	....	....	....	.21
Red Rock Silver Mining Co.	1,000,000	30	.46¼	.46¼	60	....
Rothschild Cobalt Co.	500,000	40	....	....	....	....
Silver Leaf Mining Co.	5,000,000	40	.09	.08½	4,800	.09
Temiscaming Mining Co.	2,500,000	210	....	....	....	....
Trethewey	1,000,000	40	.72½	.66½	34,135	.70
University Mines	1,000,000	56	....	....	....	....

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	Week ending July 18			Closing bid July 18
			High	Low	Sales	
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000	15.00	15.00	100	15.00
Consolidated Mining & Smelting	4,698,886	....	112.00	112.00	2	....
Consolidated Rubber Bonds	2,141,300	822,200	....	....	....	86.50
Consolidated Rubber Stock, Pref.		2,600,000b	....	....	....	....
Canada Cycle & Motor Co.	800,000	....	....	....	....	....
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000	....	....	....	....
Dominion Park Bonds	400,000	250,000	85.00	85.00	$70.00	85.00
Havana Central Bonds	6,250,000	6,250,000	....	....	....	....
Illinois Traction Com.	5,810,000	3,214,300	....	....	....	....
Mexico Tramways	6,000,000	....	61.00	59.00	60	59.50
Quebec Railway, L. & P. Co. @	2,500,000	2,500,000b	....	....	....	....
Rogers, Wm. A., Com.	750,000	900,999	....	....	....	....
Rogers, Wm. A., Pref.	900,000	....	....	....	....	....
Shawinigan L. & P.	6,500,000	4,000,000b	45.00	45.00	150	44.00
Standard Loan Co.	1,125,000	d 600,000	....	....	....	....
Sun & Hastings Savings & Loan Co.	937,000	d 52,000	....	....	....	....
Tri-City Railway & Light Co., Com.	9,000,000	2,600,000	....	....	....	....
Union Bank of Halifax	1,500,000	....	....	....	....	....
Western Bank of Canada	555,000	....	....	....	....	....
Yukon Loan & Trust Co., Com.	....	....	....	....	....	....

d Debentures b Bonds